

(C) PARLIAMENT

1. RECENT CABINET CHANGES; ANNOUNCEMENT BY PRIME MINISTER

During the week of July 5 the Prime Minister announced the reallocation of cabinet portfolios and the establishment of additional departments. The Hon. J. L. Ralston, formerly Minister of Finance, assumed the post of Minister of National Defence. He was succeeded in the Finance portfolio by Hon. J. L. Ilsley, formerly Minister of National Revenue. In place of Mr. Ilsley, Colonel Colin Gibson, member for Hamilton West, was appointed Minister of National Revenue and the vacant position of Postmaster General was taken over by Colonel William Pate Mulock member for North York.

The two new departments created were those of National Defence for Naval Affairs, hitherto administered by a deputy minister under the Minister for National Defence, and the Department of National War Services. To the first named post, Hon. Angus Macdonald, former premier of Nova Scotia was appointed, and to the second Hon. J. G. Gardiner. Mr. Gardiner for the present is continuing also as Minister of Agriculture.

As deputy ministers of this new Department of National War Services, the Hon. T. C. Davis, a member of the Bench of the Appeal Court of Saskatchewan and Major-General L. R. LaFleche, formerly deputy minister of National Defence, have been appointed.

Hon. C. D. Howe, who has been Minister of Transport in addition to Munitions and Supply, relinquishes part of the duties of the former department, and the responsibility for the remainder has been placed on Hon. P. J. A. Cardin, Minister of Public Works.

NEW DEPARTMENTS

In announcing the creation of the new Departments the Prime Minister said, referring to Naval Affairs, "With the changed conditions in Europe, the increased importance of the navy, not only in the defence of our own coasts and harbours, but in co-operation with the naval forces of the United Kingdom and other parts of the British Empire has become generally appreciated. As is now pretty generally known, the port of Halifax has, since the beginning of war, become a naval base second only in importance to the most important bases of the British Isles." The Prime Minister pointed out that what was originally a single department of National