## STATEMENTS AND SPEECHES

INFORMATION DIVISION

DEPARTMENT OF EXTERNAL AFFAIRS

OTTAWA - CANADA

No. 51/28 THE ORGANIZATION AND WORK OF THE DEPARTMENT OF DEFENCE PRODUCTION

A statement by the Minister of Defence Production, Mr. C.D. Howe, made in the House of Commons on June 14, 1951.

...It will, I think, be convenient to deal with the different programmes which we are carrying out in the various divisions of the three main branches of the department: the production, general purchasing and materials branches. I will begin with the organization of the Department of Defence Production.

...When the department was established on April 1 of this year the majority of the staff was recruited from the government service, chiefly from the Department of Trade and Commerce and from the Canadian Commercial Corporation. A number of employees have also been drawn from sections of the government service that have been discontinued or are cutting down on staff, such as the Wartime Prices and Trade Board, Emergency Import Control Divisions, etc.

As I mentioned last March, we have also recruited men from industry to head up a number of divisions and to provide the technical knowledge that is so essential to the job we are trying to do. You will recall that under the Defence Production Act the minister may make appointments outside the normal procedures of the Civil Service Act. However, relatively few appointments have been made in this manner, and where it has been done, it has been done chiefly to secure specialists from industry; and in most cases these persons are serving without government salary. At the time of its inception there were 871 persons employed in the new department, and three-quarters of them came from the Canadian Commercial Corporation. By June 1 the staff had increased to 1,120. This figure is exclusive of Crown companies, such as Defence Construction Limited, Canadian Commercial Corporation as it is now constituted, etc.

In addition to the offices at headquarters in Ottawa, the department has offices in the leading cities of Canada, and also in Washington and London. The department has taken over the district offices formerly operated by the Canadian Commercial Corporation, but in Toronto and Montreal the office accommodation was insufficient to meet the expanded needs of the new department, and other quarters have been leased. Headquarters of the Petroleum and Machine Tools Divisions and the Wool Division of the Canadian Commercial Corporation are located in Toronto; the Chemicals and Explosives Division and the Pulp and Paper Division are in Montreal. Other divisions of the department are also