

or the Minister of National Defence. The company is in active life and it will carry on in the production and development of various types of munitions.

The hon. member for Nanaimo asked what this corporation had to do with construction, and why that should not be handled by the Department of Public Works. It happens that the greatest amount of construction being undertaken by the Department of National Defence at the present time is that of married quarters and the conversion of married quarters. When a job has to be done, the plans and specifications for it and the orders for it will be given to the Canadian Commercial Corporation, which, if it can get a contractor to undertake the job on suitable terms, places the contract. In a great number of cases it is not possible to get contractors and the work has been done directly by the Department of National Defence itself. These are major projects involving hundreds of dwelling units, and they are similar in magnitude to the kind of work that was done in that respect by the Department of Munitions and Supply during the war.

Mr. PEARKES: This is to be another housing project?

Mr. CLAXTON: This is a very large housing project involving the conversion or construction of some hundreds of dwelling units this year. At the present time the defence forces are endeavouring to convert every surplus barrack or hut that can be converted into married quarters.

I should point out that in consequence of the developments that have been referred to, the contracts branch of the Department of National Defence has ceased to have anything whatever to do with purchasing. If the plan proposed by the present bill were not given effect to, it would be necessary to reconstitute in the Department of National Defence an identical structure for the same purposes.

Mr. BOUCHER: Take back what you had before.

Mr. ABBOTT: And employ hundreds more civil servants.

Mr. CLAXTON: And employ a great many more people. The Canadian Commercial Corporation has exactly nine people on its staff who are the last survivors of those who were transferred from the contracts branch of the Department of National Defence, so that if the Canadian Commercial Corporation were not used for the purpose it would be necessary for the Department of National Defence to recreate that branch, to employ some hundreds

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of employees at the very moment when my hon. friends opposite are pressing for deductions in the civil service.

Mr. GREEN: Why don't you take the nine into your own department?

Mr. ABBOTT: That would make ninety or so.

Mr. BOUCHER: What did the minister do with the others who were there?

Mr. FRASER: There were 120 in the corporation in April.

Mr. CLAXTON: There would be presumably about that number in the Department of National Defence if we were not getting the Canadian Commercial Corporation to do that job, with a straight duplication of functions and of personnel, the kind of thing that this government has been trying to avoid.

Mr. FRASER: Oh, oh.

Mr. ABBOTT: Hear, hear. All we get opposite are suggestions for increasing.

Mr. CLAXTON: The kind of thing, which I may say, the Department of National Defence has been rather successful in doing. Because of the reduction—

Mr. GRAYDON: Who says that?

Mr. CLAXTON: I say it, and I am proud of it.

Mr. GRAYDON: You are proud of almost anything.

Mr. CLAXTON: We reduced the number of personnel in December 1946 from some 33,000 to something in the neighbourhood of 19,000 by the end of the fiscal year, a reduction of some 37 per cent, which is a substantial one. That kind of reduction cannot be made—

Mr. BOUCHER: Will the minister permit a question?

Mr. CLAXTON: Mr. Speaker, we are not in committee. I ask my hon. friends to allow me to finish. I do not often interrupt them.

Hon. members opposite ask, why not do this in the Department of National Defence? I think the answer is that in this country, as in the United Kingdom, we found it desirable, from our wartime experience, to concentrate the functions of the Department of National Defence as far as we could to those related primarily to the planning, training and operations for defence purposes, and that as far as possible the civilian functions associated with defence or resulting from defence activities should be done by some other agency of the government. In our belief this