

made out etc., as well as in disposing of equipment, some to be stored, and great amounts to be disposed of by destruction or by transfer to War Assets Corporation for civilian sale. Future reductions in civilian personnel will be rapid with the completion of demobilization and progressive disposal of war material. It was not generally recognized that 70% of what we had prepared in war went to our allies and a corresponding surplus remained to be dealt with.

EXPENDITURES

A reduction of over a billion dollars in estimated expenditures for the three Services in 1946-47 compared with expenditures of 1945-46 is anticipated:- The following table illustrates the nature of this saving.

	<u>Navy</u>	<u>Army</u>	<u>Air Force</u>	<u>Totals</u>
1945-46 -	\$241,000,000	\$848,000,000	\$524,000,000	\$1,613,000,000
1946-47 -	67,000,000	283,000,000	90,000,000	440,000,000
Approximate Reduction	174,000,000	565,000,000	434,000,000	1,173,000,000

The estimates for 1947-48 are still in course of preparation and when approved by the government will be put before parliament with the other estimates. They will show a substantial reduction.

COORDINATION OF THREE SERVICES

Canada's Department of National Defence was recently consolidated under a single Minister, and the work of the Navy, Army and Air Force is to be coordinated at all possible levels. The object is to achieve the greatest possible economy and efficiency in the services, so that Canada will have Armed Forces which will meet the defence needs of the country and maintain the high standards of the forces set in the war.

The Department now has one Minister and one Deputy Minister instead of three, and two associate Deputy Ministers whose responsibilities are based on functional rather than service requirements. Headquarters of the three services are already being moved to a single site in Ottawa. As the move to Cartier Square progresses, it is intended to effect an amalgamation of the Civil Service personnel presently employed for the three Services. Administrative duties common to all three will be performed by one staff rather than by three as at present. The civilian services affected will include those in connection with estimates, accounts, treasury, audit, pensions, canteen and mess funds, printing & stationery, fire fighting, records, reports, returns, answers to questions, stenography, translation, mail, central registry, etc. Amalgamation of various directorates of the three services, including medical, legal, dental, hospital, medical stores, welfare, education, communications and public relations, is under way.

Administrative duties common to all three will be performed by one staff rather than by three and there will be consolidation of the Civil Service personnel presently employed. There will also be a high degree of consolidation in activities concerned with supply, food, transportation, clothing, accommodation, depots, etc. In the remaining fields coordination will be achieved by cooperation at every service level. Pay for equivalent rank in Navy, Army and Air Force is now the same, and plans are under way to provide for similar treatment with regard to food, clothing, etc. The traditional uniforms of the three services will be retained.