

commodities requiring special facilities for their production. These include aircraft, electronics, ships, ammunition, machine tools, and guns. The second is the General Purchasing Branch which procures commodities either of a standard commercial type or having specifications not greatly different from commercial ones. Examples of these items are clothing, food, fuels and barrack stores. One of the original activities—that relating to the provision of essential materials—is no longer handled by this Department, having been transferred to the Department of Trade and Commerce at the end of 1953. Defence Construction (1951) Limited, a Crown company associated with this Department, is responsible for defence construction activities.

Orders and Expenditures.—In the first three years of the current defence program, the Canadian Government has placed about \$3,882,000,000 worth of defence orders. Against these, and some orders outstanding when the Department was established on Apr. 1, 1951, a total of \$3,262,000,000 has been spent. Table 1 shows that the peak of defence orders occurred in the first year of the three-year program when about \$1,625,000,000 worth of orders were placed. The value of orders fell off to \$1,263,000,000 during the following year, and declined further to \$994,000,000 in the fiscal year 1953-54. The rate of expenditure, shown in Table 2, reached a peak level of \$1,235,000,000 in the fiscal year 1952-53 from \$904,000,000 during 1951-52. Canadian Government defence expenditure totalled \$1,123,000,000 in 1953-54.

1.—Canadian Government Defence Orders, by Program, Years Ended Mar. 31, 1952-54

NOTE.—Figures exclude stockpiling and capital assistance.

Program	1951-52	1952-53	1953-54
	\$'000	\$'000	\$'000
Aircraft.....	579,289	633,224	384,756
Shipbuilding.....	114,898	59,565	95,194
Tank—automotive.....	65,110	102,364	53,043
Weapons.....	93,517	23,711	13,100
Ammunition and explosives.....	104,483	75,846	69,011
Electronics and communication equipment.....	98,954	96,419	119,068
Fuels and lubricants.....	34,701	43,561	48,469
Clothing and equipage.....	149,499	31,783	19,081
Building supplies and equipment.....	29,289	3,853	3,688
Construction.....	187,011	153,919	77,548
Other programs.....	99,781	83,988	59,540
District office orders.....	68,294	55,109	51,550
Totals.....	1,624,826	1,263,342	994,048