

defence of Canada. Senior officers and civil servants from the Armed Forces and government departments attend, as well as a few representatives from industry. Lecturers are chosen from among the leaders in various fields in Canada, the United States, Britain and other countries. In addition, educational tours and visits to certain parts of Canada, the United States, Europe and the Middle East give students more knowledge of conditions and influences in their own and other countries.

PART II.—DEFENCE PRODUCTION*

Under the provisions of the Defence Production Act (RSC 1952, c. 62, as amended), the Department of Defence Production has exclusive authority to procure the goods and services required by the Department of National Defence and the responsibility to ensure that the necessary productive capacity and materials are available to support the defence production program. The Department also serves as procurement agent for the Canadian Commercial Corporation, a Crown company primarily responsible for the purchase in Canada of defence goods required by other governments and of supplies to meet Canadian requirements under External Aid programs and other international agreements. The Department is responsible for planning and making other necessary arrangements for the immediate establishment of a War Supplies Agency should there be a nuclear attack. Military construction is the prime responsibility of Defence Construction (1951) Limited, a Crown company reporting to Parliament through the Minister of Defence Production.

Procurement and construction contracts issued by the Department of Defence Production and Defence Construction (1951) Limited had a net value of \$681,968,000 in 1963 and \$448,352,000 in the first half of 1964. (The net value of contracts is made up of the value of new contracts issued as well as amendments that increased or decreased existing contracts.) The net value of contracts in 1963 according to the various sources for which they were issued was as follows:—

<u>Source</u>	<u>Net Value</u>	<u>P.C. of Total Value</u>
	\$	
Department of National Defence.....	522,277,444	76.58
Department of Defence Production (DDP Votes).....	11,330,201	1.66
Foreign Governments—		
United States.....	96,867,595	14.20
Britain.....	1,372,174	0.20
Other.....	36,931,901	5.42
Canadian Sources other than DND and DDP—		
External Aid.....	11,646,125	1.71
Other.....	1,542,808	0.23
TOTALS.....	681,968,243	100.00

The \$522,277,000 in contracts placed by the Department of National Defence in 1963 was 2.7 p.c. below the value in 1962. The largest decrease was in the aircraft program; net value of aircraft contracts amounted to \$167,545,000 against \$205,252,000 in 1962. There was also a decrease of \$11,300,000 in the armament program, of \$2,100,000 in the clothing and equipage contracts and of \$6,200,000 in defence construction work. On the other hand, there was an increase of \$25,100,000 in the value of electronics and communications contracts, of \$13,400,000 in shipbuilding contracts, of \$8,800,000 in tank-automotive contracts and of \$8,100,000 in fuel and lubricant contracts.

Contracts placed outside Canada on behalf of the Department of National Defence in 1963 amounted to \$56,180,000, which was 11 p.c. of the total net value of prime contracts issued. Contracts valued at \$42,121,000 were placed in the United States, \$8,107,000 in Britain and \$5,952,000 in other countries. Expenditures on contracts placed were

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