

Mr. MacKINNON (Edmonton West): Yes; the remainder were refused for other reasons: For example, people on the black list or supplies for countries like Spain and Portugal where there might be a danger of the goods reaching undesirable destinations.

Mr. MARSHALL: What permits could be refused by the administrator or controller? Who had the power to cancel such permits? Is that entirely in the hands of the minister himself?

Mr. MacKINNON (Edmonton West): The refusal of those permits on the grounds of economic warfare is in the hands of the export board itself.

The hon. member pointed to the seeming discrepancy in the fees. The amount shown simply by multiplying the number of permits granted by the \$2 fee does not take into account the rebates that were made later.

Mr. MARSHALL: Would the minister enlarge on that?

Mr. MacKINNON (Edmonton West): Then permits under \$100 do not require a \$2 fee.

Mr. MARSHALL: How many were there for goods under \$100 that would not carry the \$2 fee?

Mr. MacKINNON (Edmonton West): There would be a large number. We have not the figures at the moment, but they would be substantial.

Mr. MARSHALL: Might I have those figures?

Mr. MacKINNON (Edmonton West): Yes; I shall be glad to get them for the hon. member.

Mr. MARSHALL: When may we have an opportunity to discuss the board recently set up under the direction of the Minister of Trade and Commerce by order in council P.C. 70 of January 31 last, known as the Canadian export board? Evidently there is no vote here covering the operations of this board; yet according to the *Commercial Intelligence Journal* for February 12, for the purposes of this board it will be provided with a revolving credit, adjustable as experience demands, to provide adequate working capital. Shall we have an opportunity of discussing the establishment of this board, its operation and the amount of capital that has been set aside for it for the next twelve months, and when may we have that opportunity?

Mr. MacKINNON (Edmonton West): It might be well for me to make a short state-

[Mr. Marshall.]

ment in that connection at this time. There is no vote under discussion covering this particular item. This board was not set up until January 31, 1944, and it was therefore too late to be included in the printed estimates. While there is no item under discussion, I am pleased to be able to tell hon. members of the committee some of the purposes of the board.

A number of overseas governments, for a variety of reasons, have insisted that imports into their countries must be effected by government agencies, and that import permits will not be issued for certain classes of goods. Procurement agencies have been set up in Ottawa by several governments, while others have their procurement agencies in the United States. The procurement of war supplies has been and continues to be done by the Department of Munitions and Supply. In the case of goods which are not strictly for use by the armed forces, however, it was felt that some other agency should be responsible for procurement. Even under this condition it was only after careful investigation had shown that orders were being placed elsewhere than in Canada that the Canadian export board was established by order in council P.C. 70, of January 31, 1944.

This board is acting as procurement agency for civilian goods for those countries which will not permit normal channels of trade to be used. Without the board, orders would be placed in other countries and Canada would lose valuable trade connections which would be difficult to regain for the post-war period. The export board also acts as one of the procurement agencies for the mutual aid board, handling goods which, although war supplies, are not actually munitions of war. There is, of course, close coordination between the export board and the Department of Munitions and Supply.

The export board operates on a non-profit basis and really functions as agent for overseas governments. Goods are furnished to other countries at the purchase price plus any additional charges which are necessarily incurred in completing the export transactions. The board is not competing with private enterprise and, in fact, is trying to divert business back to trade channels as and when conditions permit. When a request is received by the board from an overseas government, or from the mutual aid board administration, quotations are invited from all Canadian firms in a position to supply, or in accordance with any allocation which may have been established by the appropriate controller or administrator; thus normal trade channels and methods are utilized so far as possible.