

*Reconstruction and Supply*

sented a brief before the senate committee on reconstruction and reestablishment in which they wanted assurance that "government-owned plants and equipment should not fall at bargain prices into the hands of newcomers to competitive branches of industry." Just what do they mean by saying that they did not want these plants and equipment to fall into the hands of newcomers to competitive branches of industry? Who are the newcomers in business to be? It is quite clear that by and large they will be the returned men who are trying to set themselves up in business. The Canadian Manufacturers' association, who I understand are the very pillars of capitalism, do not want any competition. It seems strange that these gentlemen who in one breath shout about how wonderful competition is, should in the next be belly-aching that they do not want competition even from servicemen. Competition with them seems to be very much like castor oil, much easier for them to prescribe than to take. If we want to follow the right policy we should not pay much attention to such organizations as the Canadian Manufacturers' association, who are speaking for their own benefit and not for the public interest. We have heard a lot in the last few weeks from hon. members to my right about giving the serviceman a chance to go into business or to set himself up in some sort of trade. I believe that servicemen are entitled to every opportunity, but I do not believe that they will get that opportunity if we follow the tenets of private enterprise.

Mr. HOWE: I am surprised at all these complaints coming from Saskatchewan. My hon. friend may not know that practically all the war assets in that province are distributed by a crown company that is owned by the provincial government, which is hardly an example of free enterprise.

Mr. ZAPLITNY: If I may correct the minister before hon. gentlemen "bust" their seats in applauding, may I point out to him that in Manitoba we are still living under private enterprise.

Mr. SKEY: The hon. member for Dauphin has said what I would have said last night had it not been so late. I should like to second all he said with a view to the desirability of a clarification of policy on the disposal of war assets. I have expressed myself once or twice already in regard to this matter and I have been particularly concerned that there has been so much mystery about exactly what is happening. I consider that the minister for the benefit of the public

[Mr. Zaplitny.]

should make a statement of policy to the committee, because there is in the public mind a considerable amount of confusion.

Mr. HOWE: I have already explained the impossibility of dealing directly with every one of the twelve million people who make up Canada's population. I have explained that War Assets must of necessity be a wholesaler dealing through retail outlets. But of a staff of about one thousand in War Assets Corporation, at least eight hundred are veterans and I assume that they are doing their best for the veterans. The reason my hon. friend and a good many other people do not come in direct contact with War Assets is that War Assets is a wholesaler selling through retail outlets. A great deal of material goes out in that way through hardware stores and other outlets. It must necessarily be so to obtain a wide distribution. My hon. friend will realize the impossibility of setting up a new retail outlet in every city or town or village in this country, and if it were done in only one village and not in the next there would very soon be trouble. There would have to be a tremendous organization set up for just a short period, because we hope that this distribution will not last for very long. Accordingly War Assets has a small compact organization dealing with established retail outlets to get as wide a distribution as possible. So that the two policies of choosing the shortest feasible route of getting the assets to the public and at the same time dealing on a wholesale basis are quite consistent.

We do not sell large blocks of assets at any price that may be bid, on the understanding that the buyer can resell them at any price he likes. That is not the method. They are sold to retail distributors under a direct contract that the spread between the price the retailer pays and the price he will charge the public will be fixed. We are not allowing huge profits to be made on sales by War Assets to the retailer and the retailer's sales to the public. The spread is kept to a definite amount, under a contract that the difference between the price to the retailer and the price to the public shall be as limited as the transaction will stand.

Mr. PEARKES: Referring back to the subject of these groups of hutments which are made available from the armed services many of these hutments on the Pacific coast are outside the municipalities in what is known as unorganized territory. I understood the minister to say that priorities are given to the municipalities. Could similar consideration be given to organized groups in the unorganized territories? These unorganized territories are