

plies board, which did the purchasing for the Department of National Defence during the war, and which, may I say, did a very good job in that regard. I understand a great many former employees of the procurement branch, Department of National Defence, went into the war supplies board on loan from that department. Approximately 100 permanent civil servants who before the war were in the Department of National Defence, who were doing all the procuring and purchasing for that department, who were skilled and trained in that work, who had made a career job of it, who were under the Civil Service Act and were to receive civil service superannuation benefits, were on loan during the war. As a result of government policy these civil servants now find themselves unable to go back to the Department of National Defence because their functions or their duties are no longer being carried out by that department. Some of them, and I believe only some, are being invited to join the Canadian Commercial Corporation. These permanent civil servants who are under the Civil Service Act and who are subject to civil service superannuation benefits are in effect being asked to leave the civil service of Canada to join a crown company where their employment and promotion and superannuation benefits will be apart from the Civil Service Act and the Civil Service Superannuation Act. They are faced with a loss of the protection which many years ago the parliament of Canada in its discretion gave to career civil servants by the Civil Service Act. I do not think that is fair to those employees.

I believe that orders in council were passed subsequently covering the transfer of these personnel from Reconstruction and Supply to Trade and Commerce to go into the Canadian Commercial Corporation on loan. I do not just understand what "on loan" means. Here we have the fallacy, or the hypocrisy, whichever it is, of some 100 permanent civil servants going to a crown company and stated to be "on loan." They are to work under entirely different working and employment conditions. Many of them have paid into the civil service superannuation fund, which contribution is met in part by a contribution from the government related to the salary they receive.

May I ask the minister to tell the house before the Speaker leaves the chair whether he has arranged that the superannuation of a permanent civil servant who goes to the Canadian Commercial Corporation will remain as it was, or will his superannuation benefits be increased commensurately with any increase in salary he may receive while an

employee of the crown company. Will his superannuation increase as his salary increases? I think it is most important to the personnel who are being transferred that they should know that. It would be unfortunate if we were to have a number of civil servants without the protection that they should have.

I believe civil servants appreciate the protection they receive, and when they are transferred to a crown company there should be no interference with or impairment of their rights of superannuation. It is not sufficient to allow their superannuation to remain at what it was when they were transferred from the Department of National Defence to the crown company. Nor do I think it fair to the permanent civil servant under the Civil Service Act and under the control set up by that act to have another class of civil servant set up by a crown company and subject to the favouritism or favourable consideration or possibly the disparaging treatment of officials of crown companies acting with almost arbitrary powers in the matter of giving their employees salaries, promotions and transfers. This is apt to injure seriously the whole morale of our civil service. We in parliament should look askance at any attempt to set up a different class of employees from those who comprise our career civil servants.

Why is this function being transferred to a crown company, an incorporated company? Nearly every department has its own procurement branch, its own personnel skilled in the procuring of supplies, who are directly responsible to the minister and the department. Their functions and finances are governed in the ordinary way by parliament. Their expenditures are before the house in the form of estimates as well as by way of the public accounts. But that is not so with crown companies, because if we turn to the crown companies acts we find that the original act setting up the Canadian Commercial Corporation provides by section 8:

8. (1) The Minister of Finance shall, on the request of the Minister of Trade and Commerce, from time to time deposit to the credit of the corporation in the Bank of Canada or in a chartered bank designated by the minister:

(a) an amount or amounts not exceeding in the aggregate ten million dollars to be paid out of unappropriated moneys in the consolidated revenue fund at any time while this act is in force;

May I point out that that means up to sixty days after the commencement of the 1949 session only. It goes on:

(b) any other advances or grants to the corporation that are otherwise authorized to be made by parliament from the consolidated revenue fund.