

*By Mr. Cleaver:*

Q. There is one other point about which I wanted to ask a question or two, and that is in regard to price control. Can you think of any real good reason why a price control should function in regard to the sale by the government of surplus goods?—A. I think, Mr. Chairman, the answer to that one is, if the government sees wise to set up laws to protect the people and take care of the country, ipso facto, you could not have a government agency itself breaking those laws because by doing so we would be defeating our own objects.

Q. Isn't the control there to protect the public, and to protect the government perhaps in regard to excess profits and the like? I cannot, Mr. Chairman, bring myself to think that it would be any great offence if the government of Canada did make every dollar they could make out of this, and if price control prevents you from holding auction sales and selling goods to the highest bidder—does not that slow up your work?—A. Actually, Mr. Chairman, the only place where we might be slowed up by the price ceiling is the checking with Wartime Prices and Trade Board, and I do not consider that constitutes any hold up at all. In most cases it is beneficial to us because it enables us to establish a rigid price for the article without having to go through a whole series of researches, and having it evaluated.

Q. But say you are holding an auction sale and you have three bidders willing to pay the price ceiling for a given article, then you are placed in a position of having to discriminate between bidders?—A. Not actually, Mr. Chairman. When we have an auction sale and there is more than one bidder and there is a price ceiling for the particular article we have an understanding. We put the names of the bidders in a hat, and the bidder whose name is drawn from the hat gets the order.

*By Mr. McDonald:*

Q. That is the procedure followed in the case of a sale of farm trucks, is it not?—A. Yes.

Mr. CLEAVER: Can you see any great harm in the government of Canada getting—

The CHAIRMAN: If I were not chairman, Mr. Cleaver, and if I were sitting around as a member, I would take exactly the opposite view to the one advanced by you. I would put it from the business standpoint, that you would be tearing down the whole structure and the whole principle of price control. I know many articles that were placed through the distributing centres with respect to which, if there had not been ceiling prices, manufacturers would have been completely at a loss to sell the next supply which they had to place on the market.

Mr. CLEAVER: I am directing my comments in regard for instance to tractors and motor cars, which the manufacturers are not at present in the position to supply.

The CHAIRMAN: The same principle applies throughout.

Mr. HOMUTH: If you did it with trucks and motor cars, then you would have to do it with everything else the manufacturer has to sell. If you are going to let down the price ceiling in one place you have to bring it down all over.

*By Mr. Black:*

Q. Before putting my question, Mr. Chairman, may I first compliment War Assets Corporation on their brief. I do not know anyone else who could have laid down a policy as good as he has outlined. I want to ask you in regard to the sale of machinery and equipment; in my town (Amherst) a large war industry has been closed down and those who are interested in obtaining some of the machinery used in that plant are having very great difficulty even in finding out when and if it is going to be disposed of, particularly the machinery