

Now to mention Surplus Disposal Policies:—

Although particular policies as they affect the operations of the corporation will be dealt with by the officers directly concerned, I would like to say a word in regard to the policies which generally govern the corporation's activities.

In the first place, as you know, the exercise of powers by the Corporation is subject to the general or specific instructions of the government through the Minister of Reconstruction, to whom, under the Act, it reports. The broad policies under which the corporation operates are set by the government. Consequently, any such policy, until duly revised or amended, must be followed by the corporation.

There are, of course, some who would be willing to have the corporation disregard its obligations. I refer to those who press for special privileges which they endeavour to obtain sometimes in devious ways. They appear to consider that specific requirements should be met regardless of how their requests may conflict with established policy or who else may be adversely affected thereby. Such representations take up much of the time of senior executives who have a full time job without this added work.

Could I ask permission for my voice to speak?

The CHAIRMAN: Yes.

Mr. DEROCHE:

General policy now governing the operations of the corporation and as reduced to nine cardinal points was made public by the Minister of Reconstruction in October, 1944, follows:—

First: today, when goods are scarce, to sell all saleable surpluses at existing market prices, but within ceilings set by the Wartime Prices and Trade Board.

Second: later, when the war ends, and surpluses become so great that they might constitute a danger to the transfer of industry from war to peacetime production, and to the rapid employment of labour, to control the flow of such surpluses so they will create the least possible disturbance to the normal economy of the nation.

Third: at all times to make every effort to control the price to the public, and to reach the public by the shortest feasible route.

Fourth: to keep out of unfair competition with established business.

Fifth: to seek expert advice, from industry, on price levels and marketing methods, but not to act on such advice at the expense of public interest.

Sixth: to distribute sales uniformly across Canada.

Seventh: to sell abroad, in harmony with other governments who are faced with the same problem, everything that becomes available abroad and that can be sold there.

Eighth: to keep out the speculator.

Ninth: to recover for you, the taxpayers of the nation and the original investors in those goods, the largest cash return upon your investments possible without interfering with the eight cardinal points just mentioned.

The basic objective is to dispose of Crown owned surplus capital assets, stores and materials arising from the war in such a manner as will be of the utmost benefit to the national economy of Canada. To achieve this objective, sales policy will vary as between types of surplus, and sales policy applied to any specific type of surplus will vary from time to time in accordance with the ability of the market to absorb the surplus, but all these sales policies must be within the cardinal points previously mentioned.