

*Munitions and Supply Act*

between the crown and the subject. I appeal to the sense of justice of the membership of this house not to give the approval of their countenance to legislation of that kind without the utmost justification.

Mr. JEAN-FRANÇOIS POULIOT (Témiscouata): Mr. Speaker, there is more to this than has been pointed out by the hon. member for York-Sunbury (Mr. Hanson), although I agree with the hon. member that it is our duty to scrutinize carefully this legislation which makes some changes in the Department of Munitions and Supply, the largest government department we have in Ottawa. I do not believe only in the letter of the law. We must take the letter and the spirit together, and we must go back to the time when the first information was given in regard to this department. I am interested in that, because I took part in the discussions concerning the famous Bren gun probe. The first chapter of the history of this department was written at that time, when the present Minister of Pensions and National Health (Mr. Mackenzie) was Minister of National Defence, and when Mr. Dunning, who was a very close friend of Mr. Purvis, was Minister of Finance. The probe came to no conclusion; there was no report. During the sittings of the committee the present Minister of National War Services (Mr. LaFleche) was attacked—unduly, I thought—and at the time, strange to say, I was the only member of the House of Commons to defend the hon. gentleman from my place in this chamber. In similar circumstances I would act again in the same way.

The beginning of the Department of Munitions and Supply was an organization known at the time as the national defence purchasing board. It was created before the war, and for a time it was not put into operation, because no man could be found in the dominion service to head a board of that kind. Finally an appeal was made to the Canadian National Railways, and Mr. Vaughan, who was one of the vice-presidents of that railway, and in charge of the purchasing branch, was appointed the first temporary head of the national defence purchasing board. He had with him a well known business man from Montreal, namely, Mr. C. E. Gravel, and Mr. H. B. Chase, who represented the labour unions. All three were very able men.

But that is not the point. Although no specific accusation was then made against the then Minister of National Defence—and there was only one minister of national defence at the time—the Minister of Finance of that time took advantage of the occasion to take from the Minister of National Defence the right to make any purchases. The Minister of National

Defence had no right to make any purchases, but only the right to make requisitions to what is now known as the Department of Munitions and Supply, and at that time as the national defence purchasing board. Imagine such a condition!

After the institution of the national defence purchasing board the Minister of National Defence was rated as a clerk. But the big man of the Department of National Defence, a man who had no particular knowledge of the needs of the army, was the Minister of Finance. He could say to the Minister of National Defence: "You have asked for a cap, and you have asked for a Sam Browne. You do not need them. I know that, because I am Minister of Finance. You have asked for a gun. You do not need it, and I will not pay for it."

From the time of the institution of the national defence purchasing board the Minister of National Defence had not the right to buy a cap for a soldier or a sword for an officer. All those rights were in the hands of the national defence purchasing board, and that was under the then Minister of Finance, who was close to the late Mr. Purvis.

I said at the time that it was an institution which could not work, and that its creation was nonsensical. The Toronto papers said that I was the only Liberal who was voicing any protest. I was not merely the only Liberal; I was, sir, to my great surprise, the only member of the House of Commons who protested against the creation of such a thing. In the name of patriotism all members of the house had been canvassed.

I hold in my hand a copy of the *Montreal Gazette* of July 13, 1939, announcing the appointment of Mr. Vaughan, Mr. Gravel, Mr. Chase and also Mr. Sherman to the board. Then, on October 7, there appeared in the same newspaper a dispatch from F. C. Mears, the Ottawa correspondent of the *Montreal Gazette*, headed with these words, "Ottawa Supply Board to act as agents for British purchases."

Then, the war supply board, an altogether different organization, was created on November 1, 1939, under the chairmanship of Mr. Wallace R. Campbell of the Ford Motor company. Mr. Campbell stayed in Ottawa for some time. I hold in my hand another newspaper article from the same newspaper, under the date line of November 22, 1939, and headed with these words: "Defence deals will be tabled in parliament"; and the subheading: "War contracts to be made public, Premier King states; good cause for delay; bigger flow of orders promised soon; propaganda bureau is planned."

[Mr. R. B. Hanson.]