

Canadian Commercial Corporation

covered by the requisition. Unless that certificate of encumbrance is forthcoming, no purchase is made by the Canadian Commercial Corporation. I do not know to what this dispatch refers, but it has nothing to do with the Canadian Commercial Corporation.

Mr. Hackett: For a moment I want to look at the statute, as passed, and at the report of this corporation for 1946. This is the report of the Canadian Commercial Corporation from May 1, 1946, to March 31, 1947.

It is stated on page one that the corporation therefore has three separate but related functions. It acts as a procurement agency in Canada for foreign governments and UNRRA. That is the first one. The second one—the numbers are not in the text; I am adding them—is this. It is available to assist Canadian importers. The third function—and I am adding the word “third”—is that in effect it acts as agent for the Minister of Trade and Commerce in all procurement for the Department of National Defence. From this report it would therefore seem that the activities undertaken by the Canadian Commercial Corporation were restricted as to purpose and the corporation was called into existence merely as an aid during a period of so-called turbulence which followed the period of hostilities. That is so true that section 17 (1) of the act is in these terms:

This act shall expire sixty days after the commencement of the first session of parliament commencing in the year one thousand nine hundred and forty-nine.

That was the purpose of the bill. Now an effort is being made to keep it alive. The bill now before the committee anticipates activities carried on by government which are normally carried on by private enterprise. I do not think there is a great deal which is astonishing in this; but, Mr. Chairman, I merely wish to point out that this is another striking instance of the lip service that hon. gentlemen opposite render to the theory of private enterprise. They are socializing the government of Canada, and at the end of each session we find the government undertaking, supplanting, succeeding and pushing private enterprise out of existence.

Mr. Thatcher: It has not pushed much so far.

Mr. Hackett: It has pushed so successfully that had the party of my hon. friend been in office it could not have hoped to have gone much further in socializing the enterprise of the people than has the party opposite.

Mr. Howe: I do not think I should let that statement go unchallenged, Mr. Chairman. I

[Mr. Howe.]

can assure my hon. friend that since it was brought into existence—in 1945, I think it was—

Mr. Hackett: 1946.

Mr. Howe: I think the act was passed in 1945, if I am not mistaken. But in any case—

Mr. Hackett: As I have it here, it was assented to on August 31, 1946.

Mr. Howe: Perhaps so. I can assure my hon. friend that from 1946 to this date this corporation has not put through one transaction that private enterprise could handle—

Mr. Thatcher: That is the trouble with it.

Mr. Howe: —except at the request of private enterprise.

Mr. Hackett: Why does it not die down and cease as is promised in the statute?

Mr. Howe: There is an intervening chapter that my hon. friend has not referred to. The act was amended last year.

Mr. Hackett: I am aware of that fact; and it will be amended next year.

Mr. Howe: In 1946 when the act was passed, purchasing for the defence services was a function of the Department of Munitions and Supply. As the defence requirements continued to decline, the department became an expensive machine for defence purchasing; it was necessary that it be represented across Canada. While defence purchasing was declining, the work of the Canadian Commercial Corporation was also declining, since government to government purchasing in Canada was growing less. The machinery of one was more or less the duplicate of the machinery of the other. It seemed a move in the direction of economy to wind up the purchasing activities of the Department of Munitions and Supply and to transfer them to the Canadian Commercial Corporation. In 1947 the Canadian Commercial Corporation Act was amended to make provision accordingly.

Mr. Fraser: I just wanted to ask the minister a question in regard to purchases for the defence departments. Are they tendered for? Are tenders asked for in all cases?

Mr. Howe: Yes, in all cases where it is feasible to do so.

Mr. Fraser: There are some cases where you could not ask for tenders.

Mr. Howe: Yes.

Mr. Fraser: But where you can ask for tenders, you do so?

Mr. Howe: We always do.