

ensure an understanding of defence needs and the active co-operation required to meet such needs; to encourage the standardization of specifications and industrial practices; to advise on the location of industries and on the development, procurement, inspection, storage and distribution of material and equipment and the maintenance of reserve stocks; and to take such action in respect of other matters as may be requested by the Governor-in-Council or the Minister of National Defence."

It will be seen that its functions are advisory, not executive. One main job is to advise on the planning of procurement. That it is a job of the utmost importance is shown by the willingness of leaders of industry to give their help as members of the Board or of its committees.

5. How will procurement be organized?

Answer:

At the close of the war, as the Department of Munitions and Supply was gradually demobilized, its records, its procedures and a good many of its key personnel were formed into the Canadian Commercial Corporation which is a government agency reporting to the Minister of Trade and Commerce. The Canadian Commercial Corporation does all the purchasing for the Navy, Army and Air Force and for several other government departments.

We believe that purchasing is a special function which should be carried out by one agency so that the Services do not compete with each other for goods which are already scarce. Consequently, it is believed that the best way to deal with procurement in the event of an emergency would be through a department of government under a separate minister like the Department of Munitions and Supply and operated in very much the same way. The nucleus for this Department would be in the present Department of Trade and Commerce and the main lines of its organization are being considered.

The advice of the Industrial Defence Board is being sought on this organization. We hope to receive from the I.D.B. lists of "skeleton" or "shadow" personnel needed to operate such a department from the moment when it is decided that it is to get going. I daresay the names of a great number of people in this room would be on those lists. Like you I hope we may never again be faced with an emergency. However, should it re-occur in our time, then I expect many of you will be there and some successor of mine at the end of a third world conflict will be expressing the appreciation which I am now doing for what you did during the Second World War.

6. How will procurement be planned?

Answer:

Planning can't be done in a vacuum and planning which is unrealistic is dangerous. Democracies are more efficient than dictatorships - they produce more goods at lower cost - because the highest efforts of individuals or business are usually voluntary efforts. This doesn't mean at all that there should be no planning but our planning must be designed to tell us -