

Q. You have got one from me. That may start something.

The CHAIRMAN: Gentlemen, would you mind letting me put this on the record? Along the same lines I intended placing before the steering committee a recommendation—and I would ask Mr. Berry to give us his reaction—recommending that the period of priority be reduced from thirty to ten days in the case of federal; five days in the case of provincial; and two days in the case of municipalities, or a total of seventeen days.

Mr. PROBE: The five and the two would not work. I agree with the ten and ten and ten. That would be all right.

*By the Chairman:*

Q. What is your reaction, Mr. Berry?—A. Well, I would like to have that, but I do not think it would be quite fair to the municipality because a municipality in turn is a body of people that have to be consulted to make the decision. It is not one man's decision. Two days would be all right for a one-man decision but for a public body or a municipality I am afraid it would not be quite fair.

Mr. MARQUIS: Ten days.

Mr. STEWART: Ten days, Mr. Chairman.

The CHAIRMAN: All right, Mr. Smith.

*By Mr. Smith:*

Q. I do not quite understand the second to last paragraph on page 3. You say:

The supply department, in conjunction with the merchandising department, was faced last year with a particularly difficult task of superimposing a new system of handling surplus on top of an already existing procedure without stopping operations and sales.

Then you say you are pleased that the difficult job has been accomplished and that sales have grown tremendously in that period. I am not quite clear as to what that change in system is.—A. Originally the system was that the reports of surplus would come directly to the corporation in reasonable detail or in complete detail so that the sales department could then pick up a report of surplus and sell directly from the report of surplus. It was found that the method of categorizing and describing material by the armed forces, let me say, or other government departments, was not in commercial terms, and we found ourselves getting into quite a lot of trouble through selling stuff from military description, for example, which did not describe the article properly at all. Therefore we then had to take all these lists, start in reviewing the materials ourselves, and put them on our own lists in relation to what they were in commercial terms and pass those lists to the sales department.

Q. In other words, you have had to take the language of the purchaser and not of the army.—A. That is right. So we were faced then with leaving old reports of surplus in operation and adding to them our new reports as they came along all the time until we considered that we had sufficient of the new reports so that the sales department would not have to stop selling. If we had pulled all the old reports out originally the thing would have stopped cold. We took a chance on getting a considerable amount of duplication in having the original reports of surplus in there and our new sheets but beyond half a dozen minor cases we avoided that very successfully. We have now within the last month withdrawn all old reports of surplus, and they are being put in their proper form of description.

Q. Last year you or Mr. Peterson, I think it was, told us in the disposition of trucks—that is trucks suitable for farm work—you relaxed your rule with respect to sales through dealers, and that on occasion you had the farmers