

*War Appropriation Bill*

1. Will the taking of the steps you recommended, in your opinion, accelerate the production of Ansons in Canada, and, if so, to what extent?

2. On what facts do you base your opinions in this regard?

3. What guarantee can you and your group give as to a date when substantial deliveries of Anson planes will be made, provided your recommendations are adopted?

That is true. That is exactly the letter I wrote. Then my hon. friend was advised of the joint reply.

I wonder if it is good business to publish reports of that kind based upon that type of information? What has been the effect of the report? It has seriously disturbed public opinion across Canada in connection with the whole aircraft industry. Statements have been made that our aircraft industry is bogged down, that we are making no contribution whatever. I do not think those reports are justified. What effect has it had upon the seven gentlemen who are giving their time without recompense as president and directors of Federal Aircraft Limited? What effect has it had upon Mr. Newman, who left his job with the Canadian Pacific Railway to give his full time to this work as general manager? These gentlemen tell me that they find it very difficult to hold their staff together. The members of the staff were quite certain that they would soon be out of a job and a good many resignations were handed in by key men.

What has been the effect of this upon Mr. MacMillan? Let us talk about Mr. MacMillan, since his name has been mentioned a good deal. Before he left Ottawa he remarked to me that he was being sabotaged, and I agreed with him. The story was put out that he had quarrelled with me when as a matter of fact there has been no quarrel. At any time when we were both in Ottawa Mr. MacMillan has been in my office every day since my return, and we have discussed many problems. He has made certain recommendations all of which I think have been accepted in whole or in part. He went to Vancouver to attend the marriage of his daughter and I understand he is now on his way back to Ottawa. But suppose the report had been true; suppose we had had a quarrel. Mr. MacMillan did not resign, and I am the head of the department, and as long as I have the responsibility I am going to assume the authority.

Mr. HANSON (York-Sunbury): Will the minister allow me a question?

Some hon. MEMBERS: Order.

Mr. HANSON (York-Sunbury): I will ask it later.

[Mr. Howe.]

Mr. HOWE: Does anyone suggest that a senior executive can quarrel with me and still continue to work with the department? I set the policy of the department, and if any executive does not follow it, he has no option but to resign. And what has been said puts Mr. MacMillan in the position of having quarrelled with me, of having disagreed with my policies perhaps entirely, and still carrying on his work! No such thing ever happened, but from all the press statements could any other conclusion have been drawn?

Let us see what else was said. I have seen one or two typewritten copies of what purported to be intimate conversations between Mr. MacMillan and one of his friends. One of these copies went into two or three newspaper offices and finally was the foundation of an editorial in the *Globe and Mail*. I do not believe these conversations ever took place. The executive of a department takes an oath of secrecy about the affairs of the department. That has been done since the beginning of the war. It was made obligatory by order in council, a copy of which I have in my hand. We have forty or fifty executives of the class of Mr. MacMillan—heads of large corporations—all working anonymously in the department, all under an oath of secrecy and all carrying out their oath. What position does it put Mr. MacMillan in with his fellow executives in the department when he is headlined in the newspapers about talking to this man and that man, and about secret memos of conversations? Does it improve his position in the department or with the people of Canada? I do not think it does. If he were the kind of man he is being represented to be I do not think any member would suggest that he should stay in the department. And I want him to stay in the department because I am sure he is not that kind of man.

I could go on and indicate other methods of sabotage that have been used on Mr. MacMillan, but I do not think it is necessary. Anyone who reads these articles on Mr. MacMillan will agree that they do not enhance his power to be of use to the Dominion of Canada in the present circumstances.

The history of Mr. MacMillan is this. I asked him to come to Ottawa last June to take a very responsible job in the Department of Munitions. He took on the job of timber controller. Within a week or two after he took hold, we were faced with an acute situation with respect to timber and it required a good deal of organizing to produce the necessary timber. Mr. MacMillan did that job splendidly, and I have had occasion more than once, speaking in this house, to comment on the work he did as timber controller to bring about our objective.