

5. The Bleury Street Lease.

In this case Mr. Mackenzie's administration of the Department of National Defence is denounced on the score of allegations that an excessive rental was paid for a property required by the Department to accommodate the local Signal companies in Montreal.

The attack by the MacLean periodicals has been centred upon the Department of National Defence and its former Minister. It has already been shown with respect to other transactions how misleading and uninformed have been their comments.

In this case it is sufficient to point out that the transaction under fire was not carried out by the Department of National Defence at all. It was carried out by the Department of Public Works. This fact is known to the authors of the attack. The Financial Post, in its first article dealing with the Bleury Street lease, recited it as justification for condemning the manner in which the Department of National Defence expended its funds. When MacLean's Magazine later republished the Post's attack, it was careful to correct this error, but without comment, admission, or apology.

The facts of this transaction, in so far as they affect the Minister and Department attacked, are as follows. It was reported to Defence Headquarters that the Signal companies in Montreal required training quarters, centrally situated and having at least 25,000 square feet of floor space.

In accordance with the long-standing governmental practice dating back to 1918 by which the Department of Public Works acts as rental agent for all other departments, this requirement was communicated by the Deputy Minister of National Defence to the Deputy Minister of Public Works.

In due course, the Montreal representative of the Department of Public Works asked the Montreal district officers of the Department of National Defence to look at certain properties. One of these, subject to alterations, was considered to be suitable.

The Department of National Defence duly notified the Department of Public Works to this effect.

The Department of Public Works thereupon negotiated a lease. The Order-in-Council approving the lease was sent to Council by the Department of Public Works. The lease was executed by that Department. The rent is paid out of Public Works appropriations.

In other words, neither the Minister nor the Department of National Defence, who have been denounced for this transaction, had anything to do with it.

This is typical of the misinformation and misrepresentation indulged in by the MacLean periodicals to further their vindictive ends.