

Aircraft

as a club over the heads of the employees of the Canadian Broadcasting Corporation.

This device which finds its exemplification in what happened to this particular broadcaster is part of the fear complex which is employed to control the type of broadcasting which will be done over the C.B.C. Let me say most emphatically that, from a fairly extended association with many of those working with the Canadian Broadcasting Corporation, I know they are men and women who are trying to do the best job they can in this medium of public service. But I also know that they are constantly impressed with the fact that they must not tell the public what they think should be done to improve this publicly-owned corporation, because of the oath of secrecy which is held over their heads. That is one of the reasons—and this particular case is a perfect example—why this house should have been permitted to go ahead long ago in this session with this radio committee, to break through this crust of secrecy and find the truth as to how that organization is really being run under the control of this government.

It is not only in the Canadian Broadcasting Corporation that the same kind of restraint is imposed. We asked that the public accounts committee be set up and we did that for definite reasons. I have already indicated one of the reasons, and only one of several, why we wanted that committee called some time ago and why we asked on a number of occasions that it meet so that matters could be placed before it. Already, there has been some reference to the North Star aircraft which were supplied to the R.C.A.F. and to Trans-Canada Air Lines. There were particular reasons why we wanted, as a public duty, to place this matter before the public accounts committee. It is time, and past time, that the whole history of the activity be fully traced up to the present time. Let me answer in advance one of the specious arguments which have already been put forward in regard to any comment about the North Star aircraft. The Canadair plant in Montreal is a splendid, modern plant, well equipped, which turned out fine aircraft during the war, and it is equipped to turn out fine aircraft today, with excellent workmen, highly qualified in that extremely skilled type of work.

Mr. Whitman: And they are turning them out.

Mr. Drew: But that does not in any way answer the question as to how this contract was dealt with, and as to this particular machine, and the need for an examination of what took place in the past, and what should be done to put these workmen to work in improving this aircraft and in developing the

[Mr. Drew.]

type of machines they really can develop for use today in Canada.

This goes back to the period when that operation was carried on under Canadian Vickers. Then for reasons which have been discussed, and which need not be reviewed now, the government decided to place this enterprise under a management company, called Canadair Limited. That company was not an aircraft company in the sense that it acquired ownership of a plant or acquired any ownership of the material which it was handling. It was a straight management company, operating a government-owned enterprise and simply handling the operation for which public funds were supplied.

That company was incorporated with a capital of \$10,000. Everyone who has had any experience in the organization and capitalization of even the smallest company knows that figure is far below the lowest figure ever used where ownership is involved. The reason was that it was simply to act as a corporate manager instead of an individual manager. A contract was made for this particular aircraft to be manufactured under licence from the Douglas Aircraft Company of California. The licence permitted the company to change the design to the extent of installing a Rolls-Royce engine, and that called for modifications which are apparent in the design itself. It is known by the Douglas Company as a DC-4 M. That machine is made with great skill. The interior of the aircraft is a tribute to the quality of Canadian workmanship. The whole design and the whole appearance is one which is from the outside extremely satisfying to those who see it. The engine is a proved military engine. It is an engine which was designed as expendable war equipment, and designed to operate at high engine speed. As expendable equipment operating at high engine speed it performed great services during the war. It is a liquid cooled engine which presents certain problems which have had a great effect upon the satisfactory use of that engine.

All these matters are incidental to the fact that, instead of either designing a distinctly Canadian engine or adapting a proved engine which would be bought either from Britain or from the United States, this hybrid was produced, and the figures which have been given as to the cost of that machine have been very difficult to understand. They are figures which most people, who have any direct contact with aircraft production, know perfectly well to be completely misleading. They know perfectly well that a prototype of an aircraft of this kind could not be produced at the figures which have been given. It is a matter of common knowledge among those associated with aircraft production that the cost of the prototype DC-4 M or North Star,