

Would these ships have been so badly damaged by being kept in the water for the winter? Were Fairmiles taken out of the water every winter during the war for the purpose of preserving them, or were they kept in the water? To listen to the minister one would think they had to be taken out of the water and put on the land. I am sure they were not winterized every year.

Mr. GREEN: The minister did not say very much about Fairmiles on the Pacific coast, but I think the greater mistake was made in connection with the boats there. Apparently this advertisement stated that the Fairmiles were all at Sorel, Quebec. There was no mention in the advertisement in Vancouver that there were Fairmiles on the Pacific coast, so that the advertisement there was useless, and the sale of those on the Pacific coast was made direct from Ottawa, I am informed. Is that correct?

Mr. HOWE: No.

Mr. GREEN: The press reports state that the Vancouver office—

Mr. HOWE: It was confirmed at head office of War Assets Corporation in Montreal. The recommendation was telephoned through from Vancouver.

Mr. GREEN: The recommendation was telephoned from the War Assets office in Vancouver?

Mr. HOWE: Yes.

Mr. GREEN: Were any competitive bids called.

Mr. HOWE: I will agree with my hon. friend that the western part of the transaction was not as well handled as the eastern. I have no criticism of the eastern part. I do not see how anything else could have been done. As I said in my statement, the Fairmiles on the west coast were delivered there after the advertisement had been in the press. It was felt that it would be difficult to put a price of \$3,000 on Fairmiles sold in the St. Lawrence and a higher price on Fairmiles sold on the west coast. Whether that was good judgment I do not know.

An hon. MEMBER: Why?

Mr. HOWE: If my hon. friend will keep quiet I will make my statement. These interruptions hardly elevate the debate. I say that perhaps they could have been treated as a separate problem. The Fairmile is more useful on the west coast than on the east and if we were doing it again we would have treated them as separate ships and advertised separately. I am told that a telephone message came through from the west coast asking

if Fairmiles could be sold on that coast at the same price as on the east coast, and the answer was given, yes, whether rightly or wrongly. Too many were sold in one transaction and then the bids advanced. I think my hon. friend will agree that in selling 75 Fairmiles, if 65 are sold at a uniform price there will be some resentment if the price is raised at a later stage.

Mr. GREEN: Is the minister sure that a telephone call was made from War Assets Corporation in Vancouver and not from some individual who was going to acquire Fairmiles?

Mr. HOWE: No. I am told that it came from the office of the western director of War Assets Corporation.

Mr. GREEN: Apparently one buyer got seven boats, although there were more people wanting boats than there were boats available for sale.

Mr. HOWE: Only at the end of the sale.

Mr. GREEN: And prices were running up to \$15,000 and \$20,000.

Mr. HOWE: Yes, I know. Suppose we had sold one at \$15,000 or \$20,000 after we had sold sixty-five or seventy at \$3,000.

Mr. ROWE: You would have made one good deal, anyway.

Mr. GREEN: Are there Fairmiles still to be sold?

Mr. HOWE: We have no more, no.

Mr. GREEN: What steps have been taken to prevent something of that kind happening again? The problems of each coast are different, as the minister knows. Have steps been taken to make certain that in the future, surplus assets on the Pacific coast will be advertised on that coast and dealt with in a different way from the assets on the Atlantic?

Mr. HOWE: Yes. We learn from experience, and that experience has changed our procedure. Assets arising on the Pacific coast are being advertised there first, and later back in the interior.

Mr. GREEN: Have the sales of those boats actually gone through?

Mr. HOWE: Yes.

Mr. GREEN: Can they not be distributed among the others?

Mr. HOWE: They were sold and paid for.

Mr. PROBE: In answer to some questions which were asked yesterday, I understood the