

*Supply—Defence Production*

very difficult for the hon. member for Cape Breton South to accept the answer that was given. The two hon. members from Cape Breton have day after day in this house gone after the cabinet about the lay-offs in the coal mines, the steel plant, and so on. The same consideration is not given to their requests that is given to others. This brings me back to the point I made earlier, that it depends, as far as I am concerned, upon who asks for consideration to be given in these matters. In one case it was a minister of the crown who asked for consideration to be given, and it was given. The two members from Cape Breton have not received the same consideration. I ask why.

I refer back to the item in the estimates. I asked the Minister of National Defence for consideration in this question because I believed his department would understand much better than Crown Assets the original deal in regard to these armouries. But the minister told me that according to law he could not do it. He did not tell me there was any exception; he said he had to go to Crown Assets. Tonight we are told there is one exception. Apparently the Minister of Defence Production can take it upon himself to conduct a private sale between friends, or enemies, depending upon how you regard the directors and shareholders involved. We do not know who they are. This is what we are trying to find out. We want to know who the people are who bought this property for the sum of \$1. We want to know why it was sold. We want to know why this company is apparently now in American hands. Ministers of this government have said that there is too much American capital in our country, yet tonight we hear that they have sold a plant, property and building to American or foreign interests.

We want to know why the plant was sold in this manner. Was no protection whatsoever given to the Canadian taxpayer in regard to this sale, except to assume all the liabilities involved therein, to get rid of the stockpile of inventory, the machinery, the property and the building for the sum of \$1? It seems to me to be a pretty good deal for someone, but not for the Canadian taxpayer.

**The Assistant Deputy Chairman:** Shall vote 6c carry?

**Mr. MacInnis (Cape Breton South):** Mr. Chairman, before this vote carries I want clarification as to who is right and who is wrong. The minister tonight keeps insisting

upon quoting from the surplus Crown Assets Disposal Act, the authority which allows him to sell a property or dispose of a property as Minister of Defence Production. There has been no reference whatsoever to the procedure the minister must follow in regard to such a sale. There are in the house this evening five ministers out of 26. Fortunately one of the ministers present is the Minister of Transport, the former minister of national defence.

It boils down to this: Either the Minister of Defence Production must get up and tell the Minister of Transport that he was wrong, or the Minister of Transport must get up and tell the Minister of Defence Production that he is wrong, because in written form they have each taken opposite sides on this question, one saying that he can do this and the other saying that he cannot. Who is telling the truth? This is a question which comes up quite often in respect of this cabinet, that is, who is telling the truth?

The Minister of Defence Production quotes as his authority the Surplus Crown Assets Disposal Act. I say there is something wrong with that authority. I do not understand it. I understand the procedure, which applies to the Minister of Defence Production and any other minister in the cabinet, the same as it does to the Prime Minister and everybody concerned. The procedure is that property must be turned over to Crown Assets for disposal.

This is in the written authority of the Minister of Transport, the former minister of national defence. I have invited the minister to send for the authority, and quote it to me, that says he has a right to do it in any other way. I ask the minister to show me where in the act he is given a privilege not enjoyed by other ministers. This is the statement he made. He said he has an authority not enjoyed by the rest of the cabinet. This is interesting. There are four or five ministers in the chamber. Let us hear the Minister of Transport get up and say that the Minister of Defence Production does enjoy this special authority. I am asking a very simple question, Mr. Chairman. I am asking four or five ministers present, apart from the Minister of Defence Production to get up and support his argument. If they fail to do this, there is only one obvious answer, namely that the Minister of Defence Production is absolutely wrong, has violated the procedures, and this is an illegal sale. It is similar to the action taken by