

*Supply—Atomic Energy Control Board*

did take it up with the Department of Finance. I had treasury board officials look into it and refer it to the comptroller of the treasury. The comptroller reported that he thought it would be desirable and efficient business practice to enable this type of advance to be made. The committee will appreciate that a good many of these embassies, legations, and so on are some little distance from Canada, and it is not always easy to get a quick decision from treasury board as to whether such and such a thing can be done; whether some Canadian in distress in Shanghai, for example, should be given an advance of \$50 or \$100. It is something like the working capital account which businesses have in branch offices. It is subject, of course, to regulations of treasury board, as the wording of the present vote indicates: "subject to regulations of the treasury board". The present limit is \$300,000, and this item would increase it to \$600,000.

**Mr. Knowles:** I do not know whether the minister heard some of the interjections which came from two or three sources over here, but how does he square the length of time given these employees with his own consumer credit regulations?

**Mr. Abbott:** These foreign countries operate on a different basis, of course.

Item agreed to.

NATIONAL RESEARCH COUNCIL AND ATOMIC  
ENERGY CONTROL BOARD

Atomic energy control board—

656. To authorize, subject to the approval of the governor in council, execution and performance of an agreement effective as of March 31, 1952, between the atomic energy control board on behalf of Her Majesty and Atomic Energy of Canada Limited: (a) to provide, notwithstanding section 3 of the Atomic Energy Control Act, for the vesting in the name of the company of the title to real property, plant, business and other assets (subject to liabilities) constituting the Chalk River project to be operated by it on behalf of the atomic energy control board on behalf of Her Majesty; (b) to authorize the company to administer the said project on behalf of the atomic energy control board as agent of Her Majesty, as between Her Majesty, the board and the company as if the company was the beneficial owner thereof; (c) to authorize acceptance by Her Majesty of shares of capital stock of the company in return for the said assets; and (d) to authorize accounting arrangements to be established by the company as if, as between Her Majesty, the board and the company, the company were not an agent of Her Majesty or the board, \$1.

**Mr. Green:** I wonder if the Minister of Trade and Commerce would explain this item.

**Mr. Howe:** I shall be glad to do so. The purpose of this vote is to enable the government to transfer ownership of the assets of the Chalk River atomic energy establishment from the crown to a new crown company with

[Mr. Abbott.]

the name Atomic Energy of Canada Limited.

It is becoming increasingly evident that the Chalk River establishment has important commercial possibilities and that the earnings from this operation will be substantial. Obviously the growing importance of atomic energy and the very substantial capital investments being made at Chalk River indicate that the management of the operation should be segregated from other government activities and operated by a staff without outside responsibilities. Ownership and management of the operation by a crown company seems to be the best means of achieving this objective. Up to the present time, the actual operation of the Chalk River plant has been carried out by the national research council as an agent of the atomic energy control board.

The decision to add a new reactor of commercial capacity has made it evident that the future operation of the property will involve industrial aspects. Therefore it seems wise to relieve the national research council of responsibilities that have become more industrial than research and to concentrate the management in one agency charged solely with responsibility for expediting development in this expanding field. It is becoming increasingly evident that a crown company type of operation can most effectively and efficiently operate this unit and deal with the manifold industrial and commercial contacts and management problems, using normal business procedures and practices.

Hon. members will recall that following the report of the special parliamentary committee on atomic energy which was tabled on December 8, 1949, the government gave serious study to the recommendation that a second pile, or reactor, be added to the Chalk River establishment. The 1951-52 estimates made provision enabling the national research council to proceed with the necessary plans and construction of the new pile. This decision to expand our atomic energy activities in Canada was made in the light of the success which has attended our activities in this field. Within the past year our experience in research, development and operation has made us feel that the large-scale industrial application of atomic energy is closer at hand than we had expected.

At the moment there are two broad areas of chief interest, namely isotope application and industrial power. Much has been said about applications of isotopes and isotope techniques in industry, in medical science, and in research and development. Large scale practical uses for isotopes are developing rapidly, in Canada as well as in the United States and Great Britain. During the past