

Supply—Transport

General—

700. Reimbursement of the Department of Transport stores account for the value of stores which have become obsolete, unserviceable, lost or destroyed, \$221,348.

Mr. Pickersgill: What is the point of this vote?

Mr. Fleming (Eglinton): This item No. 700 is a recurring year-end item provided under the authority of section 60, subsection 2 of the Financial Administration Act in order to enable the write-off from the Department of Transport stores account and deletion from the inventory of certain plant, equipment and materials. In this case two sums are involved. There is equipment that is now obsolete or unserviceable and the write-off there is \$42,950.34. Another item refers to equipment destroyed, the amount in that case being \$178,397.13.

Mr. Chevrier: I should just like to tell my hon. friend that I am going to be a little bit kinder to him with reference to this vote than his colleagues were to me when I introduced the legislation—and I have reference to my dear friend the hon. member for Greenwood. I was obliged to come back several times with a bill to amend the Transport Act. I am not going to make my hon. friend's life miserable, although I think I could do so on this occasion. Does my hon. friend remember that incident?

Mr. Macdonnell: The hon. member flatters me.

Mr. Hellyer: This item of \$178,397, the component for equipment destroyed, is a sizeable item. Can the minister give us some indication of the type and variety of equipment that item would include?

Mr. Fleming (Eglinton): Yes. There are two items here into which that sum is broken down. The first represents a total of \$127,245.74 of equipment, the contents of the radio test room destroyed by fire on May 15, 1959. The other item amounts to \$51,151.39 representing food supplies destroyed by fire at the Frobisher Bay airport.

Item agreed to.

Air services—telecommunications branch—

702. Radio aids to air and marine navigation—Construction or acquisition of buildings, works, land and equipment—To extend the purposes of vote 427 of the main estimates for 1959-60 to include the construction of works during the current and subsequent fiscal years on Anticosti island on land owned by the Consolidated Paper Corporation Limited, \$1.

Mr. Pickersgill: This is a dollar item and it is a peculiar one. My attention was drawn to it particularly by the hon. member for Kenora-Rainy River who has been obliged to

spend the whole evening in a committee and was not able to be here. He drew attention to the curious wording "to include the construction of works during the current and subsequent fiscal years". This would appear to be in anticipation, and I say "would appear to be" because the minister may have some perfectly proper explanation. It would appear to be in anticipation of parliamentary control over expenditures in subsequent years. Perhaps the minister could give some explanation dealing particularly with that point.

Mr. Fleming (Eglinton): Recently treasury board authorized the Department of Transport to enter into long term leases with the Consolidated Paper Corporation Limited for lands on Anticosti island for the purpose of the establishment of a remote transmitter site and associated staff dwellings. Normally the department does not erect works on land not owned by the crown but in this case the company refused to sell and it was considered that the crown's interest was adequately protected by the long term lease. That lease guarantees the crown undisturbed possession for 20 years. I may say that the company has been extremely co-operative in permitting the use of its roads, construction equipment and other facilities. It will therefore be seen that this is an authorizing item.

Mr. Pickersgill: I understand it is extremely unusual for the government to build any structure that is owned by the crown on land that is not owned by the crown. Of course there is a right of eminent domain. Perhaps the minister would explain why there was not expropriation in this case.

Mr. Fleming (Eglinton): This was thought to be a much better deal from the point of view of the crown. As to protecting the interests of the crown in the light of its having erected transmitter sites and the associated staff dwellings, it was felt that the 20-year lease gave adequate protection to the crown. To have proceeded beyond that point and to have expropriated would have been, it was felt by the treasury board in this case, not good business for the crown. This is a better arrangement.

Mr. Pickersgill: Is no rent paid or is it a dollar a year? Is that it?

Mr. Fleming (Eglinton): I have not here information as to the exact rent paid. I will be glad to furnish that information if the hon. gentleman wishes it.

Mr. Pickersgill: The minister will admit that it is a little bit difficult for us to form an opinion which we ought to try to form here in the committee as to whether it is good