

the establishment is being opened for the purpose not of a general officers' training centre, but of giving a refresher course to officers who volunteer under the officer loan system which I announced in the house a short time ago—that is, officers on loan to the British army. There is a course of four weeks and they are reporting in quotas from different districts. My hon. friend is correct that the services of Brigadier Gregg, who was in charge of the Canadian school of infantry at Vernon, are used at that centre for that special purpose.

My hon. friend referred to the purchase at public expense of residences for the C.W.A.C.'s. He is a business man and I want to put to him this situation, as it has been put to me by the real estate adviser and by the deputy minister. Is it better to expropriate the use of property of that kind during a time of war, to make all the capital expenditures necessary on that account; to pay not only rent but also loss of profits and everything which may go with it, included in the expropriation, for a limited period, and then lose entirely the benefit of the capital expenditures? Or, where you have a property like a residence, which has real salvage value, is it better to purchase the property outright and have the benefit of your capital expenditure? That has been discussed time and time again, and the real estate adviser to the department, Colonel Gibson, who has had a long experience with contracts and agreements in connection with matters of the kind and the terms on which limited lease arrangements can be made, is distinctly of the opinion that it is better to purchase a property like that than to take a limited interest and lose all the capital expenditure which you make.

Mr. HANSON (York-Sunbury): I suppose that is a matter of mathematical calculation; but let me tell the minister what they do in the United States. This came under my observation. In the city of St. Petersburg, which is a resort city, there are a large number of hotels. After Pearl Harbor they got rolling down there, so to speak. They commandeered the leading hotels. The same thing happened elsewhere. They did not make any great capital expenditure. They walked in and used the hotels.

Mr. RALSTON: Certainly.

Mr. HANSON (York-Sunbury): They walked in and used them.

Mr. RALSTON: That is very different.

Mr. McCANN: Hotels are different.

Mr. HANSON (York-Sunbury): I agree they are somewhat different, but the principle is the same.

Mr. RALSTON: No.

Mr. HANSON (York-Sunbury): I saw one hotel used as a bakery and cooking school. They had all the equipment in that hotel for the purpose. They made no capital expenditure. I went through the place. They used the hotel rooms for dormitories and the dining-room for eating purposes. Another hotel was used for dormitory and living accommodation for merchant seamen in training. They did not need any capital expenditure. The hotel I lived in was used largely as a dining-room. When the army moved out the proprietor took it over and all he had to do was redecorate the place. There were no capital changes at all. What I am afraid of now is this—and I leave this with the minister; I am not going to labour the question at all—that some people—and Ottawa is one place where they do it as well as any place I know—will take advantage of the opportunity offered to unload on the government property that is no longer required for their own personal purposes. That is an old game in Ottawa. I know I shall get whacked on the shoulders for saying that, but I know there is more truth than untruth in the statement. People buy property to unload on the country sooner or later. I have watched it for twenty years. They hope to unload it on the government. I see the Minister of Pensions and National Health (Mr. Mackenzie) laughing; he knows there is a large element of truth in what I have said. I think the policy of buying these houses is wrong. I may be wrong. It is a matter of judgment. That is all I have to say about it at the moment. I suppose the minister takes the advice of his expert adviser, and that is his justification. I cannot prove he is wrong. I am giving an expression of my own opinion. I have to go to a committee and therefore must leave.

Mr. RALSTON: I put the situation to the committee. I shall take the city of Halifax. In the city of Halifax we purchased the Hillside hotel.

Mr. HANSON (York-Sunbury): And how many more?

Mr. RALSTON: Let us stick to the Hillside hotel for the moment, because that is the one my hon. friend spoke of. In the city of Halifax we purchased the Hillside hotel and we leased the Waverley hotel.

Mr. HANSON (York-Sunbury): You bought the—

Mr. RALSTON: I am advised that the use of the Waverley hotel will cost us much more than we shall ever lose in connection with the Hillside hotel.

Mr. HANSON (York-Sunbury): You bought the Halifax hotel, one of the worst things that ever was done.