

probably not on November 8 but shortly after that—this is a monthly report which is prepared for submission to the committee, and this is the action taken by the administrative staff since the last meeting.

Q. So I would take it there would not be a meeting between October 19 and November 8?—A. Regular meetings are held once a month. I might explain, since you observed that Mr. Berry was shaking his head; what he wanted me to say; and I think you all know his policy on it now, on this question on destruction and so on; is that neither the committee nor the corporation can possibly take any responsibility for anything unless it has been reported surplus. And now, if somebody destroys something on their own without ever referring it surplus, there is not much responsibility which anybody in the surplus disposal agency can take.

*By Mr. Michaud:*

Q. If complaints should come to some of us that certain assets were destroyed, what would be the proper procedure for this committee to follow in finding out and investigating it?—A. The procedure I think should be, for example, first the question should be addressed to a representative of the corporation saying, did you destroy it, and if so, why. If the corporation said, no we did not destroy it, it has never been reported surplus; then I suppose the natural thing would be for you to apply to the people who had destroyed it and ask them why they did so.

Mr. SHAW: I agree with the witness. I believe his position is sound. I agree with Mr. Homuth, that we are running into difficulties where we deal with the Crown Assets Allocation Committee by itself. But there are certain matters which I believe should be dealt with. May I refer now to page 16 of this schedule, where you will see an item related to national defence (navy), where they disposed of cast iron scrap—the sale of 2.95 long tons of cast iron scrap No. 2, etc. I am not concerned about the 2.95 long tons of scrap iron, nor the estimated value of it, \$44.25. Disposal was made here by a department of government; that is what I was trying to establish earlier. If we are going to investigate War Assets Corporation, we want to know what to blame them for and what not to blame them for, if that become necessary.

Mr. DEROCHE: I think, if you want an answer to that specific question—

Mr. SHAW: No, it is the principle I am concerned with.

Mr. DEROCHE: Well, on the matter of the principle, the only answer I can make is this; that there are exceptional cases in which exceptional things are done. Now, we can get all the facts and find out what was done in this particular case. The principle involved is that it probably was a matter of only a small quantity of scrap in some outlying district. It could not be dealt with. We had no people there. Probably War Assets would have told these people, go ahead and sell it yourselves and report it surplus.

Mr. SHAW: That is the important thing, Mr. Chairman; to find out whether the corporation is or is not aware of the contemplated destruction by the department. That is the principle. If you give instructions, let us say to the Department of National Defence, because of extraordinary circumstances, then I am able to appreciate that situation; but in order to protect yourselves as a committee and as a corporation you certainly have to be aware of what is going on in the various branches of government, otherwise your position becomes utterly impossible.

Mr. LALONDE: Pardon me, Mr. Chairman; I understand that in the case of this type of equipment that must be destroyed, that cannot be carried as surplus—in the case of equipment of that type whose responsibility is it, the committee's or the corporation's?