

*War Appropriation Bill*

treasurer of Canadian Industries Limited; Miller Hyde, of the firm of MacDougall, MacFarlane, lawyers; Allen Aiken, director of Price Brothers, with the president of the Aircraft Construction Association, itself, as general manager.

Mr. MacNICOL: What is the name of the company about which the minister is speaking?

Mr. HANSON (York-Sunbury): Federal Aircraft.

Mr. HOWE: I have a very bad memory for names. I should remember that man's name, because I have had enough dealings with him.

Mr. HANSON (York-Sunbury): If the minister cannot remember, it is all right.

Mr. HOWE: I am talking about Federal Aircraft.

Mr. HANSON (York-Sunbury): The first general manager of Federal Aircraft.

Mr. HOWE: Organization proceeded. It was soon obvious that Mr. Bell could not act as president of the Federal company in Montreal, and as director of aircraft production in Ottawa. With that in mind, I offered him a choice of one position or the other, and he chose to stay on as director general of aircraft production in Ottawa. His place in Federal Aircraft was filled by Mr. Ray Lawson of London, who had an excellent record in similar types of manufacturing.

Mr. HANSON (York-Sunbury): What types of manufacturing? He was a printer, a lithographer; that is what he was.

Mr. HOWE: Perhaps so.

Mr. MacNICOL: London, England, or London, Ontario?

Mr. HOWE: He was director of an imposing list of manufacturing companies. In fact I notice my hon. friend opposite (Mr. Rowe) chose him as a director of his company at the head of the lakes. He is also a director of the Royal bank. I assume the hon. member (Mr. Rowe) chose him for his manufacturing ability.

Mr. HANSON (York-Sunbury): That is a good recommendation, but it does not say he could make aircraft.

Mr. HOWE: Perhaps not; but none of these men could make aircraft, and there were very few men in Canada who could.

Mr. HANSON (York-Sunbury): I think that is correct.

Mr. HOWE: That is what one has to contend with when dealing with a mushroom industry.

[Mr. Howe.]

Mr. ROWE (Dufferin-Simcoe): An efficient and reputable character.

Mr. HOWE: I now remember that the name of the first general manager was Mr. R. J. Moffett. The first promise of delivery we obtained from this company was given in the middle of November. I might say that the company was formed on July 19, 1940.

Mr. HANSON (York-Sunbury): Before the minister proceeds, would he please make it clear that Federal Aircraft Limited, itself, was not a manufacturing company?

Mr. HOWE: I will explain that.

Mr. HANSON (York-Sunbury): They were not to make planes at all.

Mr. HOWE: I will explain that.

Mr. HANSON (York-Sunbury): They were to help forward the effort, and to supply certain materials and parts—very important parts. Let us have that whole picture so that the public will know it.

Mr. HOWE: I am coming to that, but I am trying to get the company formed, first.

Some hon. MEMBERS: Oh, oh.

Mr. HANSON (York-Sunbury): There is nothing to laugh at.

Mr. HOWE: According to my notes, the company was formed on July 19, 1940. The first promise of delivery—and I would ask hon. members to remember this—was made in the middle of November, 1940. I was pressing for some indication as to when we could expect deliveries to begin. At that time Federal advised the minister, "The first Anson will fly in March, and substantial production by June or July."

Mr. HANSON (York-Sunbury): Would the minister say there is a contract between the company and the department?

Mr. HOWE: That is right.

Mr. HANSON (York-Sunbury): Let us have a consecutive statement.

The CHAIRMAN: I would point out to the committee that the minister has the floor and has already requested that there be no interruptions. While he has the floor, no one may interrupt him without his permission.

Mr. HANSON (York-Sunbury): All right.

The CHAIRMAN: The minister has requested that he be allowed to make his statement.

Mr. HANSON (York-Sunbury): Very well.

Mr. HOWE: This was a wholly owned government company. Its purpose was to take