

*Supply—Atomic Energy Control Board*

like the Minister of Finance. I want to read this section to the Minister of Finance and ask him to stand behind what he said a moment ago. As far as I can understand this, what is being done here is flatly in contradiction of—

**Mr. Abbott:** I will answer my hon. friend very quickly. The section provides that the crown company which is to be set up shall be an agency corporation. It is made perfectly clear in this item here that the corporation which is to be set up is to own the shares which are to be transferred to it. That is a variation from section 3 of the Atomic Energy Control Act, and provides that this may be a corporation which owns the assets, not an agency corporation. My hon. friend may assert that it is improper to do that; I say it is not.

**Mr. Macdonnell (Greenwood):** That is very different from what I understood the minister to say last. The minister is now agreeing, as I understand him, that this is in contravention of, or at any rate we will say different from, what was authorized under section 3.

**Mr. Abbott:** Of course, my hon. friend is stating the obvious.

**Mr. Macdonnell (Greenwood):** The minister says "of course"; but that is not what I understood him to say a few minutes ago to the hon. member for Winnipeg North Centre. He said just the opposite.

**Mr. Abbott:** I am not responsible for my hon. friend's understanding.

**Mr. Macdonnell (Greenwood):** *Hansard* will show; but I want to reiterate this. I want to associate myself with what the hon. member for Annapolis-Kings has said. We are just disregarding the statutes, and we are saying this is a sensible thing, therefore we will do it. It is a sensible thing; so far as I can see there is no reason why it should not be done in the legal way. Some day we will come along to things that are not so sensible, and we will have all these precedents. My understanding was—and I say this without chapter and verse—that the Prime Minister some time ago himself used words which in effect frowned upon this sort of thing. It may be that if the Prime Minister were taking part in this debate he might agree with the Minister of Finance and would say that he would distinguish between them, but at any rate he did use words that frowned upon this sort of thing. I think it is a great pity. The minister now says: of course it is different from section 3, but it is a sensible thing, and therefore we are doing it. I wish to be on record. I say that it is wrong; that it should not be done; that it could easily be done in the proper way, and there is no earthly reason why it should not. It is not

[Mr. Macdonnell (Greenwood).]

a question of anyone not getting his salary. The minister has said there is no money involved in this.

**The Chairman:** Shall the item carry?

**Some hon. Members:** No.

At six o'clock the committee took recess.

---

**AFTER RECESS**

The committee resumed at eight o'clock.

**Mr. Blackmore:** I should like to ask one or two questions concerning Atomic Energy of Canada Limited. How many members will there be in this company? Who appoints them? For how long will they be appointed? To whom does the company report?

**Mr. Howe:** The atomic energy control board is made up of five members who are appointed for three years. The board reports to myself as chairman of the cabinet committee on research.

**Mr. Blackmore:** I have similar questions to ask about the company. Will the minister just explain how the directors are appointed and to whom the company will report?

**Mr. Howe:** The directors are appointed by the atomic energy control board with my approval. There is no term to their service; they are appointed to serve at will. There are nine directors.

**Mr. Blackmore:** I want to commend highly the minister for the way in which he has kept this matter directly under his control. That is exactly the way we want it to be so there will be no question who is running this atomic energy business for Canada and who is responsible for it.

**Mr. Macdonnell (Greenwood):** I should like to return for a moment to the point we were discussing at six o'clock because I want to be satisfied that I understand what the Minister of Finance meant. In looking over my own *Hansard* I took down what the minister said on this point. He said that the atomic energy control board could authorize the setting up of crown corporations to handle certain of these operations.

Before adjournment we were considering section 3 which seemed to be contravened by what is being done. I assume the point is technical, but I want it to be clear that I understand what we are supposed to be doing. Will the minister say what he meant when he said that the atomic energy control board could authorize the setting up of crown corporations to handle certain of these operations? Can he refer me to any section in the