

Interim Supply

Mr. Howe (Port Arthur): Mr. Chairman, does it matter to my hon. friend whether or not the press reports on which he is basing his argument are correct?

Mr. Knowles: Does my hon. friend deny the press reports?

Mr. Howe (Port Arthur): I just ask whether the hon. member knows whether or not they are correct.

Mr. Knowles: Does the Minister of Trade and Commerce deny there were negotiations between Algoma Steel on the one hand and these three companies on the other?

Mr. Howe (Port Arthur): I deny the substance of the press report because I happen to know it is not correct, but the information came from a confidential source and I cannot repeat it in the house. My hon. friend is doing exactly the same as was the hon. member for Mackenzie. There are a great many brokers who would like to know whether these rumours are true. My hon. friend parades them in the house in the hope that someone will either confirm or deny them. That may be a proper way of using the position of a member of this House of Commons.

Mr. Knowles: All right, Mr. Chairman; I believe I have the floor. The minister can speak afterwards, and I hope he will do so and I also hope that the Prime Minister will speak on this matter. I come back to certain facts that have been clearly established. I refer in particular to the fact—

The Chairman: Order. I wonder if the hon. member will help me in this respect. I believe he was relevant and in order when he was discussing a matter which related to Atomic Energy Limited, because I would presume that there would be an item in the estimates dealing with atomic energy. However, I am a little at sea at the present time to know how the hon. member justifies a speech on interim supply which, as far as I can see at present, involves a transaction between two companies which are not crown companies. It appears to me that he is now wandering somewhat from relevancy in a debate of this kind.

Mr. Knowles: Mr. Chairman, you recognize of course that we are discussing a resolution that involves bringing down a portion of every item of the estimates that are before us either in the blue book or in the supplementaries, and those estimates include the estimates of the Department of Defence Production, which has contracts with A. V. Roe.

[Mr. Knowles.]

The Chairman: That is the point I was trying to make. I have not examined the entire estimates, but I presume there are items in the estimates with regard to the atomic energy program. I do not know whether there is anything in the estimates to which the hon. member could draw my attention which would enable him to discuss what would appear at the present moment to be a transaction between two private companies. However, as I have said, I have not been able to examine every item in the estimates.

Mr. Knowles: Mr. Chairman, I base my contention for the right to discuss this matter, among other reasons, on the fact that there are items in the estimates for the payment of money under contracts to Avro Aircraft Limited, A. V. Roe Canada Limited, Orenda Engines Limited and so on, and this group is one of the companies that is involved in what I am talking about. We also have before us the estimates involving such crown corporations as Polymer Corporation Limited. In addition we have before us the estimates of the Department of Trade and Commerce and the Department of Defence Production, and I submit that surely the minister who is responsible for those two departments is responsible in turn to the House of Commons.

It has been established in the answers I have now given to you, Mr. Chairman, on the point of order you raised, that there are huge sums of money being paid to A. V. Roe Company Canada Limited for contracts awarded to that company by the federal government. It has also been established that a full-time salaried head of one of our crown corporations is a member of the board of directors of McIntyre-Porcupine Mines Limited. We now have the report that there is to be a sale of the shares of Algoma Steel to a group of companies including A. V. Roe and McIntyre-Porcupine as well as one other, and I protest against the impropriety of a minister of the crown being involved in any way or being anywhere near negotiations of that kind.

In view of the position in which the Minister of Trade and Commerce finds himself he cannot—if I may borrow the word the Leader of the Opposition used a few days ago—bifurcate himself any more than can any other minister; he cannot be two different persons. But the fact is that as an executor of an estate which holds 700,000 shares of Algoma Steel he is involved in the negotiations with these two other companies, one of which receives contracts from the federal government and the other of which