

TUESDAY, April 2, 1946.

The Special Committee on War Expenditures and Economics met at 11.00 a.m., the Chairman, Mr. Isnor, presiding.

*Members present:* Messrs. Benidickson, Bradette, Cleaver, Cote (*Verdun*), Dion (*Lake St. John-Roberval*), Golding, Isnor, Jackman, Macdonnel, Marier, Marquis, McGregor, McIlraith, McLure, Michaud, Probe, Reid, Smith (*Calgary West*), Stewart (*Winnipeg North*), Winkler.

*In attendance:* Hon. C. D. Howe, Minister of Reconstruction; Mr. J. H. Berry, President, War Assets Corporation; Colonel William Gordon Denney, Director of Ordnance Services (Provision), Branch of the M.G.O., and Air Commodore R. A. London, Director of Equipment Supply, R.C.A.F.

The Clerk read the first Report of the Steering Committee as appears in this day's Minutes of Evidence.

On Motion of Mr. Smith, the said report was adopted.

With respect to paragraph 3 of the Steering Committee's report, the Chairman stated that he had already interviewed the Minister of National Defence for Army, Navy and Air, and that Colonel Denney and Air Commodore London were in attendance at this meeting.

Mr. D. M. Fleming, M.P., appeared before the Committee and was granted permission to make a statement. He referred to a question (No. 62) appearing in his name on the Orders of the Day of the House (April 1st), and stated that he had been referred to this Committee for an answer. It was agreed that this question, as well as questions Nos. 1 and 54 relating to War Assets Corporation and appearing on the same Order of the Day of April 1st, be referred to the Steering Committee.

*(Questions above referred to are recorded in this day's Minutes of Evidence).*

As suggested by the Chairman, it was agreed, that, in the future, members of the House who desired certain information from witnesses appearing before the Committee, should submit their questions to the Chairman or another member of the Committee for presentation to the Committee.

Mr. Berry was called. He read a brief on the operations of War Assets Corporation, and was examined.

Hon. Mr. Howe also addressed the Committee.

In the course of Mr. Berry's examination, Mr. Probe moved: "That the Committee recommend that all material suitable for visual education, namely, motion picture projectors, be withheld by War Assets Corporation from the commercial market until offered for sale to Provincial Boards of Education at 10 per cent of its value, and further that all such material be made available to such Boards in quantities proportional to the approximate population of the provinces."

Some members expressed the opinion that the said motion could not be entertained under the terms of the Committee's Reference, and Mr. Probe agreed to withdraw the motion with the understanding that it would be referred to the Steering Committee.

At 1.00 o'clock witness retired, and the Committee adjourned until Thursday, April 4, at 11.00 a.m.

R. ARSENAULT,  
*Clerk of the Committee.*