

Sir HENRY THORNTON: I want to make sure that the General and I understand each other as to what information we want. Have we got it right?

Mr. CLARK: I think so. Mr. Teakle hit the mark in his last statement, as far as I am concerned.

The CHAIRMAN: Mr. Robichaud has a question.

Mr. ROBICHAUD: I think we have this right now. The purchasers of those vessels bought them because they were a certain class of second-hand goods; used vessels; not up-to-date. I do not see how General Clark's question can throw any light on the matter. What I should like to know is this, have those vessels been sold for a fair market value? That is to say: have the purchasers of those vessels paid a fair market price for what they got?

Sir HENRY THORNTON: In other words, your question is; have those who sold these vessels acted with fidelity to the people of Canada as trustees of the equipment?

Mr. ROBICHAUD: The Board of Directors would not build this type of vessel now and probably the purchaser would not either. They would build a modern vessel. Therefore I think in selling those vessels they have to go at a very large sacrifice.

The CHAIRMAN: The cost of building them can hardly be compared with what they were sold at.

Mr. ROBICHAUD: Absolutely not.

Mr. HEAPS: I think Sir Henry Thornton said he had some of the original bids put in for these ships. I wonder if he could have those brought down here in the next day or so.

Mr. TEAKLE: We have refused bids at different times, and sold them at what we consider the best prices.

Mr. BOYS: To pursue this with a certain amount of definiteness, I would call attention to the following ships: "Adventurer," "Sailor," "Signaller," "Sower," "Trader" and "Warrior." I take those because I see everyone of them were sold at \$40,000. I would like to ascertain exactly what was done to secure the sale of those ships. Was each ship advertised separately or were they advertised en bloc, and what tenders were received?

Sir HENRY THORNTON: Will you answer that, Mr. Teakle?

Mr. TEAKLE: They formed a lot of some 27 ships that we had authority to sell. They were advertised all through the country. Speaking from memory, I do not think we got a bid for any of them.

Mr. BOYS: Were the particular ships I am inquiring about included in the ships you refer to?

Mr. TEAKLE: Yes. Then we set about private inquiries, meantime trying to keep the ships going to pay their way; turning down such private inquiries as we did not think were sufficiently attractive, and selling them when we did think we were getting a fair price for them.

Mr. BOYS: Of course that is a general statement, and I am not doubting it for a moment, but it seems to me that, to test the matter, we should have something laid before the Committee to show what inquiries were made and how it was that all these ships were sold for exactly the same sum of money.

Mr. TEAKLE: We sold six of them for \$40,000 apiece. They were lying idle, and getting the six taken at once at that price, we considered it a good proposition. It might also be mentioned that those ships were sold on the basis, as we understand it, of "as is and where is." That is, lying in the port wherever she may be, at anchor or dismantled; the buyer had to link her up and put her in shape before getting her to sea. How much he spent I do not know.

Sir HENRY THORNTON: Your first question is: What effort was made to put those ships up to bid. Now the ships that were available for sale were advertised in the Marine World, were they not?