

continued for several years until there was granted to him a peaceful release late last evening. We unite with all other Christian peoples in our expression of sympathy for all adherents of the Roman Catholic church in their grievous sorrow, and in our gratitude for his personal example of devotion to duty amid the manifold turmoils that have beset this world during recent years.

BREN MACHINE GUN CONTRACT

The house resumed from Thursday, February 9, consideration of the motion of Mr. MacNeil:

That the agreement between the government and the John Inglis Company, of Toronto, for the manufacture of Bren machine guns, the report of the royal commission dealing with said agreement, and all related documents, evidence, vouchers and exhibits, be referred to the standing committee on public accounts;

and the amendment thereto of Mr. Stevens.

PRIVILEGE, MR. GARDINER—NEWS ARTICLE IN REGINA LEADER-POST OF FEBRUARY 7

Hon. J. G. GARDINER (Minister of Agriculture): On a question of privilege, Mr. Speaker, I have in my hand a news article which appeared in the *Regina Leader-Post* of February 7, purporting to be an account of my speech delivered in this house as reported in *Hansard* of February 6. It says in part:

Mr. Gardiner attempted to pour ridicule on a report made by Major General E. C. Ashton, chief of the general staff, for proposing a small arms government factory at Valcartier.

That statement is absolutely false. I pointed out that Major General E. C. Ashton's proposal, made after this government took office, for the purpose of reestablishing defence in Canada, would involve an expenditure of at least \$200,000,000. I further indicated that those now attempting to delay this expenditure had opposed even the small estimates of two and three years ago.

I referred to the Ross rifle incident to indicate that even good machinery was not sufficient to guarantee production of Bren guns that would work. You require management, designers, and engineers who know their job. At no time and in no word did I ridicule or attempt to ridicule a report made by Major General E. C. Ashton.

This newspaper report is on a par with most of the misrepresentation which has been peddled to the west regarding discussion of this contract.

Some hon. MEMBERS: Order.

[Mr. Cahan.]

CONTINUATION OF DEBATE ON MOTION FOR REFERENCE TO PUBLIC ACCOUNTS COMMITTEE

Mr. C. G. MacNEIL (Vancouver North): Mr. Speaker, I was about to say when the house adjourned last evening that the most disturbing feature of this debate has been the attitude taken by government supporters. We have met with nothing but evasion with respect to the issues presented to parliament by the commissioner. In the hectoring language employed by the minister (Mr. Mackenzie) last evening we recognize the old technique of abusing critics instead of answering criticism. The issues originally stated by the commissioner, and by many members on this side of the house, are still before parliament with out any adequate explanation by the government. No criticism could be more destructive of confidence in the defence establishment of this country than the demeanour and words of the minister last evening. He cannot prove to the country that he is right by the threat to knock off heads, although I notice that his unparliamentary language is not reported in *Hansard*.

The hon. member for Vancouver-Burrard (Mr. McGeer) stated last evening that in his opinion it was extraordinary that members on this side of the house did not accept the findings of the royal commission. It is his misapprehension on this point that undermines his argument. We do accept the findings of the commissioner. It is because of those findings that we may legitimately ask for further inquiry into the matter, and direct criticism against government policy.

The commissioner made findings on two points. He found that there was no evidence of personal corruption. We accept that finding and have stated so over and over again in this house. We now marvel that government supporters have laboured this point. They must be uneasy about the transactions reported.

The commissioner also found that there was the necessity to recommend the appointment of a defence purchasing board, to provide for a drastic change in the system of awarding contracts of this nature. We accept that finding, and point to the fact that by such finding he condemned the system now in vogue.

The remainder of his report is mainly a citation of facts of which direct proof was given, and with regard to which he reported there was no dispute. He pointed to the responsibility of parliament to pass judgment based on the evidence, and because of that I moved the motion which is now before the house.

I again direct attention to the main issues at stake. Whatever may be said for or against the contract, in its substance or form, we must concern ourselves, as the commissioner did, with administrative faults and government policies disclosed during the negotiations leading up to the execution of the contract during the period prior to March 31, 1938. The real issue is whether this country should have established public or private manufacture of the primary implements of warfare, and not all the blustering eloquence of the minister can conceal the fact that he has reversed his policy in this regard. In his remarks last evening he condoned the making of profits in the manufacture of armaments for this country.

Some hon. MEMBERS: No.

Mr. MacNEIL: As he shook his fist in this direction and alleged attempts to destroy defence measures, I might remind him now that nothing will wreck defence more certainly than profiteering in war supplies. Nothing will do more to lower the morale of those who may be required to risk their lives in the defence of the country than the knowledge we now have that his department is in alliance with armament racketeers. He has given a plain indication that so far as he is concerned he will make no attempt to establish equality of duty and sacrifice in the event of war.

Mr. MACKENZIE (Vancouver): It is not correct; that is all.

Mr. MacNEIL: He expressed resentment that this discussion has delayed the plans of the department with regard to deliveries of Bren guns. He omitted to mention that this is the first opportunity we have had to discuss the matter with all the facts before us.

Mr. MACKENZIE (Vancouver): Why?

Mr. MacNEIL: The delay of which he complains actually occurred between July, 1936, and March, 1938, when the house was without knowledge of these negotiations, and because of the determination to place this contract to the best political advantage. Members of this house are in no way responsible for the fact that deliveries of the assembled guns will not be made until the latter part of 1940.

I will go a step farther. We will ask the minister in the public accounts committee to confirm or deny the reports that even now the Bren gun is regarded as an obsolescent weapon.

Mr. MACKENZIE (Vancouver): Absolutely incorrect.

Mr. MacNEIL: The British government is continuing production on the Bren gun, but is it not also providing for the production of a

still more modern and reliable light machine gun? Technological advance has been rapid in the armament industry during recent years. What assurance have we that, by reason of the policies pursued by the minister, we will not be stuck, to use the language of the street, with 7,000 guns as obsolescent in 1941 as the Lewis gun is to-day?

Mr. MACKENZIE (Vancouver): Is my hon. friend suggesting for one second that the Bren gun is not a most modern, efficient weapon?

Mr. MacNEIL: That is what we intend to ask.

Mr. DUNNING: And therefore we should do nothing.

Mr. ILSLEY: Because the hon. member intends asking.

Mr. MacNEIL: In the light of our experience with the Ross rifle we intend to ask the minister in the public accounts committee as to the accuracy of these reports.

Mr. YOUNG: Does my hon. friend know of a better gun?

Mr. MacNEIL: The minister's eulogy of Major Hahn will prompt further investigation into the representations made by Major Hahn to the department and the British war office as to his financial stability and his business connections. When he first went to England he was the head not of the John Inglis Company but of the British Canadian Engineering Company. He was not the head of a company worth two million dollars, as the prospectuses issued on behalf of his company at that time would seem to indicate. As far as the evidence shows, no attempt was made to correct the false impressions created within the British war office at the outset of negotiations. He was simply a promoter astute enough to expand a thirty dollar cash consideration into a financial transaction on paper involving \$1,400,000.

Mr. GARDINER: Did Colonel Drew write what the hon. member is reading?

Mr. MacNEIL: I am making this statement on my own responsibility. The minister can make his.

The minister gave no answer to our question as to why it was necessary to set up a series of dummy companies, unless to conceal profitable trading in stock issued. The minister knows as well as I do that in the not too distant future those who have participated in this deal will reap a rich reward quite apart from the profits guaranteed by the contract for manufacture of the Bren gun.

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