

Supply—Defence Production

Mr. Rynard: Mr. Speaker, I was paired with the hon. member for Brantford (Mr. Brown). Had I voted, I would have voted for the motion.

Mr. Muir (Lisgar): Mr. Speaker, for the record, I was present but abstained on what I consider to be a purely internal problem of the government.

Some hon. Members: Hear, hear.

[Translation]

Mr. Valade: Mr. Speaker, I abstained from voting as a protest against this waste of time and this abuse of parliament.

[English]

Mr. Mackasey: Mr. Speaker, I was paired with the hon. member for Calgary South (Mr. Ballard). Had I voted, I would have voted for the motion.

Mr. Speaker: Order, please. May I take this opportunity to suggest to hon. members that I do not believe it is in accordance with the practice of the house for hon. members to make statements explaining why they voted or did not vote or why they were paired.

Mr. MacInnis (Cape Breton South): Mr. Speaker, on the point of order, does the same thing apply to the minister—

Mr. Speaker: Order, please. The same thing applies to all members.

SUPPLY

The house in committee of supply, Mr. Batten in the chair.

The Chairman: Order. House again in committee of supply. When the committee rose on Tuesday, March 19, item 6c of the Department of Defence Production was under consideration.

DEPARTMENT OF DEFENCE PRODUCTION

6c. Reimbursement of the Defence Production Revolving Fund established by section 16(1) of the Defence Production Act for losses sustained in the operation of the crown-owned magnesium foundry at Haley, Ontario, prior to its sale in December, 1967, \$480,000.

Some hon. Members: Carried.

Mr. McIntosh: No, Mr. Chairman.

Mr. Nasserden: Mr. Chairman, may we have a statement from the minister? I believe he has some information for us.

[Mr. Walker.]

Mr. Drury: Mr. Chairman, yesterday the hon. member for Rosthern asked who were the auditors of Haley Industries. There have been three firms: In the period 1951 to 1962, Thorne, Mulholland, Howson and McPherson; 1963, Clarkson, Gordon; and 1964 to 1967, Tighe Pearson. The Auditor General has not been appointed the official auditor of this company. Use was made of the auditors who were associated with the companies which had the management contracts.

The question was asked as to how many employees there were at Haley Industries. The current level of employment there is 184, I am informed, 34 of whom have been added since Bartaco took over early in the new year. Most of the employees reside in the constituencies of Renfrew North and Renfrew South. I am told that the length of service is as follows: 30 per cent of the employees have in excess of seven years service and the balance, some 70 per cent, have less than seven years service.

The special skills required in connection with this operation are those of metallurgists, radiographers, pattern-makers, core-makers and machinists. Even in respect of those who are not what one might call professionally trained, for the semi-skilled workers special training is needed.

The original facility in 1951 cost as follows: for land, \$1; for buildings and services including water and electricity, \$1,818,000; equipment, \$894,000. In respect of the condition of the plant prior to the solution which has been proposed, namely the transfer to Bartaco Industries, we engaged consultants to report on the possibilities of keeping the plant in operation by various options. I am informed that the consultants reported that substantial new investment would be required if the plant were to continue profitably in the operation of the business in which it was engaged, that of producing magnesium and high quality aluminium castings. The foundry, and it is basically a foundry operation, had deteriorated over the course of the years, as one would expect, and further investment would be needed. In the view of the consultants this investment was required and would either have to be made by the crown or by a successor taking over the operation.

● (5:10 p.m.)

The report also pointed out the need for a strong management group to run the operation. I am told that the facility currently