

not understand that PICAQ decided that Gander should be kept open, and, on the other hand, the Committee says that PICAQ was the organisation that decided that Gander should be kept open. Referring to the supplementary report, I notice that Mr. Neill denies that he ever said that. Is he hedging, or is the Committee in error in the original document? I wonder if Mr. Smallwood would say anything about that?

**Mr. Smallwood** It was at the meeting of the Finance Committee that Mr. Neill made the statement, so I still believe that the reason Newfoundland took it over was that we are a member of PICAQ.... However, in our interview the other day he said that he did not say it. I don't think there was a stenographer present at the meeting of the Finance Committee at which Mr. Neill made the statement in the first place, but there are many members of the Finance Committee here today, and they can easily say whether, according to their recollection, he made that statement or not....

**Mr. Miller** Again on that \$300 landing charge. I wonder could Mr. Smallwood tell us whether the Director of Civil Aviation came before the Committee and if he did, what he thought the landing charge should be? ....

**Mr. Smallwood** Well, Mr. Chairman, when Squadron Leader Pattison appeared before us, in view of the fact that he is in a subordinate position I did not feel that I should embarrass him by asking him questions on which a decision had actually been reached by the government as a whole, on landing fees. I did not ask him, and neither did any other member of the Committee. As a matter of fact, when Mr. Pattison appeared before us the information we sought was more or less of a background nature....

**Mr. Hollett** Mr. Chairman, could Mr. Smallwood tell us anything about this Canada, Newfoundland, United Kingdom agreement?

**Mr. Smallwood** I think that refers to other bases altogether — Torbay, Goose, Stephenville, Harmon Field, etc. Does it refer to Gander? I don't think so.

**Mr. Fudge** Mr. Chairman, sometime ago in this house I felt that the Committee should have ascertained what equipment was in Gander.... That was all, I understand, belonging to the \$1 million deal. Rumours have been coming out from Gander that there is a certain amount of equip-

ment being removed, some by the Americans to Harmon Field, and some by the Canadians to Goose Bay.... I am wondering if that is our property, Newfoundland's property?

**Mr. Smallwood** Mr. Chairman, the million dollars that Newfoundland is to pay Canada for what Canada had at Gander does not include any American equipment, so the Americans could do what they liked with their own equipment. The great bulk of it they moved to St. John's. They formed a pool of equipment they intended to sell, and to it they brought the equipment they owned in Gander. The buildings were not owned by them but by the Canadians. The \$25 million that the Canadians spent on capital account included the buildings they built to be occupied by the Americans. They now belong to the Department of Civil Aviation of the Newfoundland government.

So far as equipment is concerned the vast bulk of it was included in that purchase price. That which was not included was shipped back to Canada or in here to War Assets Corporation for sale, or, to a limited extent, remains at Gander. Now so far as the tremendous quantity of equipment owned by Newfoundland is concerned, the government has disposed of some of it.... There is a tremendous surplus of certain things at Gander, and I suppose one day they will be offering a lot of it for sale...

**Mr. Fudge** Mr. Chairman, I am wondering whether or not the government actually knows what equipment was there when it was taken over. We don't know, therefore, in my opinion, they could move a lot of things that we did not know were there, and that is why I say surely the government should make an inventory....

**Mr. Smallwood** They have an inventory, and when I was at Gander at Christmas I saw it. It is a huge thing — I suppose a thousand sheets....

**Mr. Higgins** I don't want to stop Mr. Fudge on this matter, but I would like to direct Mr. Smallwood's attention to this \$300 matter once more. The importance of it is that from your report we understand that we are losing half a million a year at Gander. In the letter from Squadron Leader Pattison to your Committee he states that by mid-1947 we might expect 1,000 planes a month. The normal fee is less than \$100. That would mean that we would have \$200 more per plane, which would give us \$2.4 million a