

Item: 19435

Title: Disposal of surplus jet aircraft

Meeting Date: 1960-02-16

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9. The Cabinet agreed that the Prime Minister should state in the House of Commons that day that, having examined the document published by the Sperry and Hutchinson Co. of Canada Ltd. and bearing the coat of arms of Canada, he was satisfied that no violation of the privilege of the House was involved, and therefore that the President of that Company should not be ordered to appear before the House.

National Memorial Building and Cenotaph
(Previous reference Sept. 17, 1959)

10. The Minister of Veterans' Affairs recalled that, last year, the Cabinet had postponed decision on his proposals for a National Memorial Building and Cenotaph pending the receipt of comments from the Design Committee of the National Capital Commission on the proposed new structures and on the ground layout. In December 1959, the National Capital Commission had reported to the Cabinet by means of a resolution in which, among other recommendations, they had urged that the Memorial Building be located on Pine Hill in Rockcliffe Park and the Cenotaph on Nepean Point. If the original site were to be retained, the Commission recommended certain modifications to the proposals.

The Minister did not agree that the Memorial Building be located separately from the Cenotaph, and regarded the Pine Hill site as completely unsuitable. He recommended, with the concurrence of the Minister of Public Works, that both the Building and the Cenotaph be located on Nepean Point.

An explanatory memorandum had been circulated, (Secretary's memorandum, Feb. 11 - Cab. Doc. 44/60).

11. The Cabinet

(a) reaffirmed its decision of November 21st, 1957, that both a National Memorial Building and a Cenotaph be built on Nepean Point, Ottawa; and

(b) agreed that the Minister of Public Works should proceed with plans for the Cenotaph and Memorial Building, taking into account modifications recommended by the National Capital Commission in regard both to the site plan and the design.

Disposal of surplus jet aircraft
(Previous reference Feb. 9)

12. The Minister of National Defence reported that, while in Paris during the previous week, he had discussed with SHAPE headquarters the disposal of surplus Sabre Mark 5A Jet Aircraft with Orenda engines. He had been assured verbally that none of the N.A.T.O. countries had a use for these aircraft, and subsequently he had received a cable from General Norstad confirming this and the advice to the same effect issued by SHAPE in 1958. The engines were non-standard, and therefore

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Turkey would not be interested in acquiring the aircraft. They were useless for commercial purposes, and would be of interest only to a country engaged in or contemplating a war against a poorly-armed opponent.

13. The Minister of Defence Production recalled that Crown Assets Disposal Corporation had received several offers from firms in Canada and the U.S. to purchase the aircraft, and within the past few days an additional offer had been made by a private firm in France. He recommended that all usable equipment be taken from the aircraft by the Department of National Defence and that they be then sold for scrapping purposes only.

14. During the discussion the following points were raised:-

(a) The suggestion had been made that the aircraft be retained in storage for a time, and possibly sold at a later date. This, however, would merely involve the payment of added storage costs during a period when the usefulness of the aircraft would not be increasing.

(b) Technical schools had no need for this kind of aircraft.

(c) Some said that, as the U.S. was selling weapons to the highest bidder, Canada should consider following suit rather than to waste the money represented by these aircraft. They might be sold to a country which was not expected to go to war immediately thereafter. Others said that, in view of the government's policy of not selling weapons to countries in inflamed areas, these planes should be sold for scrap. There was no way of knowing in advance whether or not a country seeking to buy them was intending to go to war. If sold to any firm or country, they would find their way directly or indirectly to a country wanting them as weapons, because they had no commercial value.

(d) There was a danger of great profits being made from the purchase of these aircraft and their eventual sale to Cuba, and this opportunity would give rise to incentives for all kinds of dubious transactions.

(e) The ten aircraft declared surplus at this time were only part of a programme contemplating the disposal of some 94 aircraft, with a total value of perhaps \$100 million.

15. The Cabinet agreed to give further consideration to the disposal of surplus Sabre Mark 5A Jet Aircraft at another meeting when the views of the Prime Minister and the Secretary of State for External Affairs might be ascertained.