

*Committee on Defence Expenditure*

scandal or no suggestion of waste or extravagance. Yet a few years later with an expenditure ten times as large they were not able to make the expansion which was so necessary to be made.

In that connection too I should like to refer to another statement of the minister to the hon. member for Greenwood in the same debate on May 24, 1951. The hon. member for Greenwood had raised some question about the possibilities of moneys being wasted, and the minister said, as found at page 3348 of *Hansard*:

I should like to ask the hon. member who has just expressed these vague fears if he knows of any reason for having them. If he knows of any failure of the services engaged in inspection to do their job properly I should like to hear about it. I have not heard about it and therefore I can assure him that I know of no reason for expressing dissatisfaction with the present situation. I hear of all cases that involve trouble, and I have heard of no case.

That is the statement of the minister to the hon. member for Greenwood in May of 1951. Yet Mr. Currie in his report refers to the fact that the chief auditor had made reports time and time again. Mr. Currie said:

Time and again he had reported unsatisfactory conditions. This is clear from appendix "B" which summarizes his findings over a period of years. The deputy minister in each case had directed the quartermaster general to investigate and report. Lack of adequate action at this point had, however, caused a progressive deterioration in the situation. Aside from reports being delayed for considerable periods of time, the record shows the next audit revealing conditions similar to those previously reported and, in some cases, worse. The process is then again repeated.

We have the situation that in May, 1951, the minister said he had heard no report whatsoever reflecting on matters concerning his department. Yet we have this unqualified statement in the Currie report speaking about report after report that had been referred and pigeonholed. The minister did not deal with this matter in his lengthy address the other afternoon. I think the minister should tell the house whether he obtained these reports to which Mr. Currie refers. If he did not get them, why did he not get them? If he did get them, why did he make a statement such as he made to the hon. member for Greenwood in reply to his question? I think those are matters with which we are concerned.

The minister did say that some time in February of 1952, I think it was, a committee was set up, almost a tri-service committee, representing the Auditor General, his own department and others, to conduct an investigation. He says that at that time he had received reports about Petawawa and other matters and he set up an investigating committee to conduct an inquiry. I wonder

[Mr. Nowlan.]

if that was the first investigation that was conducted for the department? I wonder if the minister received no other reports before that. He was laying the foundation for the expansion of his department. Would he not apply to the civil service commission, for instance, for administrative personnel when necessary? Would there not be reports by officers of the civil service commission with respect to his department? I wonder how many reports the minister did receive concerning affairs in his department. I wonder if, for instance, he received reports criticizing construction costs. We have had a statement by the hon. member for Red Deer (Mr. Shaw) respecting certain defence costs. I wonder if reports were received showing that buildings constructed by the engineers, for example, cost twice as much as those built by civilian contractors long before 1951. How many reports, if any, other than this one which the minister received, were received by his department, if not by him, prior to May 24, 1951?

Those are matters concerning which I think the house is entitled to more information than it has received heretofore. I quite agree with the minister that we are not concerned here with looking for scapegoats, and whatever our own interests may be in this house, certainly the people of Canada are not concerned with us playing politics. What they want is the situation cleared up so that the defence department and armed services can be maintained at as high a standard of efficiency as possible, and so that the taxpayers' dollar, 50 cents of which goes into this department, can and will be safeguarded. It is for that purpose that the defence expenditure committee is being set up, and I do not think it is fair to the committee to hamstring it by an order that it must first deal with the Currie report. In other words, the function of the committee would then be to investigate the investigator.

There are many other things that should be investigated by the committee. There are tremendous expenditures of government money concerning which the people expect a report by this parliament. Normally the house will be rising in a few months, and with the vast amounts of money that have been expended by this department and which expenditures have been referred to the committee, I say, sir, that it is not expedient, practical or right that the committee should be compelled to deal first with the one matter of this report and therefore be precluded from investigating many other matters with which the committee would like to deal. In fact it would appear that not only is the government attempting to becloud the matter of the Currie report itself, but by tying it in with