

MONDAY, July 14, 1947.

The Standing Committee on Public Accounts met in camera at 8 o'clock p.m., the Chairman, Mr. L. P. Picard, presiding.

*Members present:* Messrs. Beaudry, Bradette, Burton, Case, Cleaver, Cote (*Verdun*), Cloutier, Denis, Fraser, Gladstone, Kirk, Probe, Rinfret, Stewart (*Winnipeg North*), Warren.

The Chairman reported that a meeting of the steering committee had been held during the afternoon and had unanimously adopted a draft Seventh Report, a copy of which was thereupon distributed to all members.

The Committee proceeded to consideration of the said draft report.

Mr. Beaudry moved that the final paragraph on page two be deleted and the following substituted therefor:—

Your Committee is of the opinion that the higher cost of these houses, 58 cents per cubic foot, as compared with the Canadian average could not be entirely attributable to higher wages prevailing in the district, nor solely to other local conditions. Your Committee recommends that the Government refer the matter to the Department of Justice with a view to determining what action, if any, may be taken if the contractors are considered at fault, and of collecting from them such amount of the increased cost as may be attributable to the contractors fault.

After discussion, and the question having been put on the said motion, it was resolved in the affirmative.

Consideration of paragraph three, page three followed.

Mr. Boucher moved that the paragraph as approved by the steering committee be adopted.

Mr. Rinfret moved, in amendment, that the paragraph be deleted and the following substituted therefor:

Your Committee was not favourably impressed by the way evidence was given by Mr. Gordon Murchison, Director, The Veterans' Land Act.

After discussion, and the question having been put on Mr. Rinfret's amendment, it was resolved in the affirmative.

And the question having been put on Mr. Boucher's motion, it was resolved in the affirmative.

Mr. Beaudry moved that the last paragraph on page three be deleted.

After discussion, and the question having been put on the said motion, it was resolved in the affirmative.

Mr. Boucher moved that the following paragraph be inserted immediately following paragraph three, page three:

Your Committee believes that the magnitude of the task of constructing over 2,000 houses under the then existing labour and material supply conditions was not fully appreciated by the directors and that adequate engineering and inspection services were not secured. It is possible that Civil Service regulations as to salaries, etc., precluded the hiring of qualified employees by the directors but a project of this size should not have been undertaken without sufficient qualified engineering and inspectional staff.