

From the Department of Finance: Mr. R. B. Bryce, Assistant Deputy Minister and Mr. B. G. McIntyre, Comptroller of the Treasury.

The Chairman presented the First Report of the Sub-Committee on Agenda, which was adopted on motion of Mr. MacDougall, as follows:

FIRST REPORT

Your Subcommittee on Agenda held a meeting on Thursday, November 29th, the following Members having been designated to constitute with the Chairman the said Committee: Messrs. Blanchette, Campney, Gauthier (*Port-neuf*), Harkness, Jones, Macdonnell, McIlraith and Thomas.

Your Subcommittee on Agenda recommends:

1. That officials of the Department of National Defence (Messrs. C. M. Drury, Deputy Minister, E. B. Armstrong, Assistant Deputy Minister (Finance); the Department of Defence Production (Mr. M. W. MacKenzie); the National Defence Research Board (Dr. O. M. Solandt); the Department of Finance (Mr. R. B. Bryce) and (Mr. B. G. McIntyre) be heard in the above order with respect to:
 - a. The general method of affecting expenditure and commitments therefore.
 - b. The procurement procedure.
 - c. The controls over expenditure.
2. The talking of expenditure under such headings as equipment, training, press and information, cost of administration, personnel and such other statements as the Committee may direct to be tabled from time to time.

Your Subcommittee on Agenda notes that the Order of Reference as passed by the House mentions defence expenditure and commitments therefor since March 31st, 1950.

With respect to printing, on motion of Mr. Stick,

Resolved,—That the Committee print from day to day 500 copies in English and 200 copies in French of its minutes of proceedings and evidence.

The Chairman announced that Messrs. Quelch and Wright had replaced Messrs. Thomas and Mr. Stewart (*Winnipeg North*) on the Committee.

Mr. C. M. Drury was called. He read a prepared statement and was examined.

He commenced by referring to photostatic copies of two Charts identified as follows:

Chart No. 1—Organization for Defence Planning in Canada.

Chart No. 2.—Organization of Department of National Defence.

The tabling of information was requested by Messrs. Stick, Churchill, Wright, Jones, Croll and Macdonnell.

The witness was directed to produce the information requested.

With reference to Chart No. 2, Mr. Drury was asked to prepare a table giving the names of those holding the offices mentioned therein.

At 12.45 o'clock p.m., Mr. Drury's examination still continuing, on motion of Mr. Stick, the Committee adjourned until Thursday at 11.00 o'clock a.m., to hear Mr. N. W. MacKenzie.

ANTONIO PLOUFFE,
Clerk of the Committee.