

Committee on Defence Expenditure

What do we find? I think their arguments fall into two classes. In the first place they both denied that there was any breakdown in the administration of the department. I think they denied that categorically. Then they went on to say, following somewhat the principle of the pleadings which were in effect under the old common law practice of confession and avoidance, that if there was a breakdown, which they submitted there was not, then it was due inevitably to the sudden expansion of the department brought about by the Korean crisis and the impossibility of getting trained personnel with which to perform the task confronting the department.

That is a most plausible explanation. It is one which perhaps we could understand, it is one which perhaps we could accept with some sympathy, if it were not for some of the statements which have been made by the Minister of National Defence in dealing previously with this matter. I have gone back through *Hansard* to look up some of the statements made by the minister with respect to the reconstruction of this department and its expansion. We remember in 1946 when the legislation was passed providing for the reorganization of the department following the war. Steps have been taken since then to develop this department.

We find that on June 24, 1948, almost five years ago, the minister, speaking on behalf of the government, set forth the purpose of the Department of National Defence, and I quote from page 5784 of *Hansard* of that date as follows:

(2) to provide the operational and administrative staffs, equipment, training personnel and reserve organization which would be capable of expansion as rapidly as necessary to meet any need;

That was a program which the minister laid down for himself, for the government and for his department in 1948. On August 31, 1950, the minister summed up the work of his department during the past year and then went on to say, and I quote from page 104 of *Hansard* as follows:

In conclusion I think we can say that we have been fortunate in that we were able to complete—

I ask you to note the word "complete".

—the post-war organization of the armed forces earlier and to a greater extent than most other countries, so that we have a sound organizational foundation upon which to build. It is, I believe, a smooth-working and efficient set-up—

Having reviewed his department during 1950, that was the statement made by the minister. Then during his estimates in 1951 there was some discussion with the hon. member for Greenwood (Mr. Macdonnell), who inquired about the set-up. The minister is reported on page 3362 of *Hansard* of May

24, 1951, as having replied to the hon. member for Greenwood as follows:

It is set up in accordance with the practice which has obtained in the Department of National Defence over the years. There has not been much change. We have to do a job, and we do it.

That was a summary given by the minister in 1951. In other words, in 1948 we have the minister setting forth the program which he has to accomplish, that is, the setting up of an administrative nucleus which could be expanded to meet any demands. In 1951 we have the minister boasting of the fact that that has been accomplished. That program was to cover an administration organization which would be capable of expansion to meet any demands, to use the minister's own words.

What do we now find? We find the minister and the Solicitor General coming into the house and saying, "It is true, we have run into difficulties, but that is because we have been expanding, it is because we have not been able to get trained personnel, it is because we have not the organization which we should have in order to meet the demands with which we are confronted." I think that one can say without being unfair that what the minister is saying is this: If we have failed, and we have failed to some extent, then our failure is due to the fact that we failed to set up the organizational set-up which we told the house we had set up. In other words, the house was not treated frankly when those questions were asked before and when the picture was created that we had a nucleus which could be expanded to meet any demands. Now we have failed because forsooth we failed in the past in setting up that organizational base.

In this connection I think one should point out that in 1947-48 this government spent for national defence in the establishment of this nucleus \$239.9 million. In 1948-49 we spent over \$252 million. In order to establish the nucleus which the minister said would be capable of expanding to meet any demands we spent over a quarter of a billion dollars in each of those years.

In 1936-37 this government spent \$36 million through the Department of National Defence. Having spent what now appears to be a most paltry sum upon a nucleus for the defence of Canada, the Department of National Defence was able to expand and to take care of all the administration work entailed in fighting a second world war. According to the boasts of the government, they expanded it efficiently, there was no