

Supply—Public Works

worth of materials that went into the buildings so they could be completed within the contract price, did not do anything. In other words, if the suppliers had not been taken in to the extent of \$170,000 in materials that were supplied, as far as the government is concerned the projects would have cost much more to complete over and above the contract price.

Has the minister's department written to the Lunam company? If they have, I should like to have the correspondence produced when we come to the proper item. This man's elusiveness was such that it aroused great interest. Lunam and his company took these people in to the extent they did as the result of a false affidavit, and only the Department of Public Works can prosecute because the false pretence was perpetrated against that department. This man swore a false affidavit which caused the Department of Public Works to advance moneys to which he was not entitled, and I cannot understand why he should not have been prosecuted or why the mounted police were not used to ascertain whether a fraud such as this should be committed against the Department of Public Works.

That is the reason I said the minister had not done anything. I meant that he had not used the agencies that were available in order to punish a man who according to the statement of the minister is a wrongdoer in that he defrauded the government of Canada by falsely swearing to an affidavit in order to secure payment. I am wondering whether the matter was ever placed in the hands of the mounted police, or whether there were communications with Lunam or the company?

Mr. Fournier (Hull): After this accident had happened and he was in the hospital, and we found out he could not proceed with the construction, we had served on him a notice according to the contract that we would hold as security the balance of the contract and would proceed with the work. I understand that we have a copy of that contract.

Item agreed to.

Architectural branch—

322. Ottawa—maintenance and operation of public buildings and grounds, including repairs and upkeep, rents, furnishings, heating, etc., and to authorize commitments against future years in the amount of \$500,000, \$13,588,361.

Mr. Green: Will the minister tell the committee to what extent commitments are authorized against future years? Apparently each year there is a provision of this type in this vote.

[Mr. Diefenbaker.]

Mr. Fournier (Hull): This \$500,000 for future commitments covers orders which are given during the fiscal year but which are not expected to be delivered. Suppose we ordered a diesel engine which takes many months to deliver, we would be committed to the company but would not receive delivery during the fiscal year. We have to have this amount for future commitments.

Mr. Green: To what extent?

Mr. Fournier (Hull): I am told that this year we are committed to the extent of about \$300,000. These goods will be delivered in the future, but not under this vote. If we did not have this item we would have no legal power to give an order.

Mr. Green: These commitments were made in the last fiscal year and are for the present fiscal year; is that the idea?

Mr. Fournier (Hull): That is right.

Mr. Green: Why is there a provision of this kind in this and the following item, and not in any other item?

Mr. Fournier (Hull): I am told that in the last months of the fiscal year we continue placing orders although we know they will not be delivered. We are authorized to commit up to \$500,000 under this item for the next year, but these amounts will be revoted as deliveries are made in the next year. It is only authority to commit; it is not an expenditure of money. We cannot go over and above our commitments for \$500,000. I understand that in the administration, when the last months of the year come we have to continue to give notice of what we need. We say well, let us place the order and in the next estimates we will ask for the amount. If we did not have that authority we would have to stop ordering for delivery in the new fiscal year.

Mr. Green: Why is it necessary for these items and not for any other items?

Mr. Fournier (Hull): These are the two maintenance items in my department. The other items are specific items for contractual purposes; but these are the two items which cover maintenance of all buildings in the country.

Mr. Green: There is quite a large increase in some of the amounts under this item. I am looking at page 393. There, for example, we find a big increase in furniture and furnishings for government departments. The increase there is about \$60,000, and it was also increased last year over the year 1951-52. Rents also are increased by \$550,000. Light, power, water, etc. are increased by about \$70,000. These are all expenditures