

*Committee on Defence Expenditure*

I was surprised a minister of the government would admit that fallibility could be on both sides of the gangway, but at any rate he did say that, and then he went on to say that this was a relatively small matter. If by saying it was a relatively small matter he meant that these irregularities had been discovered in a small area of the operations of the Department of National Defence and that there was every reason to believe they had spread throughout the whole area; if he meant that it was a relatively unimportant matter by reason of the fact that we would find vast numbers of other irregularities, then I would be ready to agree with him. But I do not think that was what was in his mind. I think he was just trying to poohpoo the Currie report and suggest that really it was the naughty opposition that was making a fuss about nothing.

I think it has been said more than once on the opposite side that there was to be no scapegoat, but I think every attempt has been made to turn the opposition into a scapegoat. As has been said in this house in the last few days, when security is mentioned it is not the security of the nation but the security of the government. Therefore we must realize that there is a very genuine feeling in government circles—we must recognize it and face it—that when anyone tries to seriously criticize the government, to suggest that anything is wrong, it amounts almost to treason and that the people who do it are misguided and perverse.

Our good friend the Minister of Trade and Commerce (Mr. Howe) had something to say on this. He has been around a bit. He got down to Kingston where he spoke to his political buddies and said that really this report did not amount to so much, it was just a lot of lurid language. I think that was the phrase he used. He said it was simply blowing up and magnifying things that did not amount to very much.

That was on December 17. But by this time the press had begun to have something to say about it, even the friendly press, what some people might call the tied press, although I would not use that word myself. They began to show signs of discomfort. The *Winnipeg Free Press*, which always makes a valiant attempt to find whatever good can be found in this government, said things which indicated that they had a real feeling of discomfort. They said:

Certain points in the Currie report raise such grave issues of public policy that immediate comment cannot be delayed.

And again in the same editorial:

Neither excuses nor delays will suffice. The public will expect and must receive immediate and drastic remedial action.

[Mr. Macdonnell (Greenwood).]

It is not surprising that people were uneasy because after all the seed of the Currie report fell on fertile ground. There is not a single member of this house, there is really not a single person who goes about the country who has not heard story after story of serious extravagance in defence expenditures. One hardly knows what to believe and what not to believe. You know that a great deal of it must not be believed; yet when serious statements are made, such as were made in this house by the hon. member for Red Deer (Mr. Shaw) with regard to the air station in Alberta, and when the suggestions that he made have never been answered so far as I know, a situation arises in which it is almost impossible to know what not to believe. In other words, without much stretching of your imagination you are ready to believe almost anything.

As I said a moment ago, these mistakes, this chaos, this disorganization were widespread. The grave words which Mr. Currie used at the very outset of his report were such as to make even the most thoughtless stop and think. I should like to read briefly from the report as set out on page 712 of *Hansard* as follows:

The conclusion I have come to is that, while there has been a general breakdown in the system of administration, supervision and accounting, it was only at Petawawa that extensive irregularities over a prolonged period of time took place.

A breakdown in the system of administration, supervision and accounting! Now we come to the speech of the Minister of National Defence (Mr. Claxton). Before he spoke he had the benefit of knowing what had been the reception of the report throughout the country. He had seen the fertile wit of the cartoonists in full play. He had read the strong statements in the press. As a result, the Minister of National Defence did not attempt to brush off this report. He suggested there were certain errors in it. He did it in a rather nice way. Although there was a rather considerable amount of what I can only call smearing of the report, nevertheless he made it clear that he had not taken it lightly and that he had already adopted a good many of the proposals and was going to adopt more.

His excuse in effect was a very simple one. The minister said that when there suddenly had come upon them the pressure caused by the war in Korea and so on, they found a great accretion of work and that they really had a choice between getting the physical work done—the buildings built and so on—and the carrying out of this construction with ordinary business prudence and ordinary business methods. He said in effect they were not able to do both.