

National Defence

this. I should like to have the government re-examine their policy concerning cost-plus contracts. At the moment I am not arguing for or against that policy, but I do believe that the time has come when this expenditures committee, or the government apart from that committee, should tell this country why they pursue the policy of cost-plus contracts instead of a straight tender basis. The reason I am bringing this matter forward is that it has been drawn to my attention, whether worthily or not I am not prepared to say, that there is a wastage of materials and man hours simply because the contractor says, "Well, the higher we can make the price the more profit we are making". The contractor does not mind if the men stand around a little bit or if there is a little bit of material wasted. If something goes wrong on the job that causes a wastage of materials the contractor says he is sorry it happened, but it adds to the cost so he is not worrying very much about it. It means more profit for him.

It has been drawn to my attention that in certain of these cost-plus contracts the men are standing around doing nothing or tumbling over one another's feet; that there is a wastage of materials and time. I say to the minister and to the government, therefore, and not only to the Minister of National Defence (Mr. Claxton) but to the Minister of Defence Production (Mr. Howe), that I believe it is time to re-examine their policy concerning cost-plus contracts.

I do not think I have any further critical examination to make at this particular point. We shall all have an opportunity to speak again on national defence, particularly when the estimates are scrutinized more carefully.

Mr. J. A. MacLean (Queens): I think that every hon. member who has spoken in this debate so far is agreed upon one point, and that is that our defence effort at this time is directed towards preventing the next great war rather than merely winning it. I doubt if there is such a thing as winning a modern war. This reminds me of a statement which was made by Winston Churchill concerning the first great war. He said that victory was purchased at a price so great as to make it almost indistinguishable from defeat. That being the case, I think it behooves us to examine the possibility of finding a way of preventing the next world war.

I believe it is agreed the next world war will be prevented only if we can show all our potential enemies that an attack upon us is foredoomed to failure. How can we achieve that end? I believe history shows us that the use of new equipment, new methods, new concepts of strategy through the years

have resulted in military advantages in more cases than any other combination of causes. Hannibal gained success by the introduction of the use of war elephants. Genghis Khan gained success by the idea of surprise attack and mobility. Field Marshal Barclay de Tolly gained success through the principle of defence in depth and what later became known as the scorched earth policy which resulted in the destruction of Napoleon's army in Russia.

We have only to look back to the last war to realize that time and again the tide of battle swung one way and then the other as new methods, new equipment and new concepts were introduced by one side or the other. In 1940, with a relatively small, well armoured, hard-striking force, the German army was able, in a matter of three weeks, to lay in helpless defeat the huge allied armies totalling a strength of about five million men. The winning of the battle of Britain was made possible by research and development which had been carefully conducted in the years prior to the war, and which resulted in Great Britain's radar warning screen and the Hurricane fighter. They were the things which made the winning of the battle of Britain possible. Later on we were able to sap the strength of Germany by the use of heavy bombers on a scale which had never been seen before. Still later our invasion of the continent was made possible by new ideas and new developments such as the Mulberry harbours and the pipe line under the ocean for supplying gasoline to the forces, commonly referred to as Pluto. As a result we were able to supply our forces after they landed on the continent, rendering useless the gallant and able defence made by the Germans of the channel ports.

Later our advance across Europe was made easier by such developments as Bailey bridges, amphibious craft, and the extensive use of glider and other airborne troops. But after all that, victory was almost snatched from our grasp when the Germans employed an altogether new type of weapon, the V-1 and V-2. If German research at that time could have armed their V-2's with atomic warheads I dare say even at that late date they would have achieved victory. Then, too, late in the war our shipping took a severe mauling from snorkel-equipped U-boats, which were able to remain submerged for long periods and which had great range and great speed. Finally the war was concluded and the Japanese empire was forced to sue for peace after only two atomic bombs were dropped on that country.

I think it is clear, then, that if we are to be superior to any potential enemy we