

authority being vested in the President. As a result of the accounting methods in that Organization, your Committee experienced difficulty in securing certain desired information.

#### 5. General

While there was no evidence to suggest any marked degree of inefficiency in the Department or Crown Corporations under review, the Committee, nevertheless, observed what it considers to be certain weaknesses in accounting and procedural methods. It is the opinion of the Committee, therefore, that the Government should consider the advisability of employing an independent business consultant to examine one or more of the Crown Companies. On completion of this review, the Government should then decide whether a further examination of the remaining Crown Companies is required.

### III. SUMMARY

It will be observed from this Report that the Committee has not attempted to summarize the area or detail covered by the examination of the two Departments, but rather has limited the report to a number of observations and recommendations. The Committee, however, would commend to the House the evidence attached hereto, believing that an intelligent appraisal of this Report can only be made in conjunction with a study of the evidence.

In addition to the recommendations, which it believes will effect economies and efficiency of a material nature, the Committee is of the opinion that its consideration of these Estimates has also produced certain intangible values which may at first glance not be easily recognized. As an example of this, there is evidence to support the belief that in its examination of the witnesses from the Departments, the Officials, in preparing their submissions, have stimulated interest within the Departments.

A second value of the Committee's work was the very broad press coverage given to the Committee's proceedings which, in its opinion, brought clearly into focus many aspects not generally appreciated in Canada's National Defence program. The Committee would like to express its appreciation to the members of the press for their very accurate report and interpretation of the evidence presented.

The Committee is indebted to the Ministers of National Defence, Defence Production, National Health and Welfare, their respective officials, and the representatives of the Crown Corporations, for the co-operative manner in which they gave their evidence and provided a considerable number of documents.

A copy of the Committee's Minutes of Proceedings and Evidence respecting the abovementioned Estimates, together with a copy of those papers and documents received but not printed, is appended.

*(The Minutes of Proceedings and Evidence and certain papers and documents accompanying the said Report recorded as Appendix No. 12 to the Journals)*

The foregoing items of the Main and Supplementary Estimates stand referred to the Committee of Supply, pursuant to Standing Order 57.