

Supply—National Defence

cost of the half-life overhaul. If there is any misunderstanding, the minister should clarify who made the basic error in the half-life refit. Was the error made as a result of a fault in the specifications? What brought about the doubling of the contract figure? There is an indication that the figure may yet be tripled. Was the department at fault in writing the specifications? Was the fault in the tendering? Are the companies that tendered not qualified to tender for the half-life overhaul of the ship?

The minister has been asked where the crew for the ship will come from. It is interesting to note that in January the Royal Canadian Navy lost 220 members and gained 137; in February it lost 161 and gained 419—that is significant; in March it lost 160 odd and gained 290, and in April it lost 200 and gained 180. The over-all picture, so far as the R.C.N. is concerned, is not an encouraging one for the task of manning the vessel I have mentioned.

I am curious to know what government decision has been reached with respect to the four new destroyer escorts. I have been told on orders of the day that no decision has been given about the lead yard. My information is contrary to that, but the government will make its announcement in due course. I am curious about the savings to be effected under the systems that are contemplated by the government for the construction of two of these ships. It has come to my attention that the second class of yard in this race—and there are only three or four in Canada—will be asked to tender on both ships and not just on one. This is a serious matter and perhaps the government could say whether what is proposed is government policy. The government must always keep in mind that it is necessary for a commercial yard to maintain a balance of trades and skills. No commercial yard must be put into the position of having to abandon lucrative commercial work in order to raise the necessary force to tackle the vessels that the government wants. The minister should also take a moment or two to answer questions along these lines.

We have been told that since the unification bill passed through the mechanics of both houses and their committees, the efficiency of the armed forces has been operationally enhanced. How does one arrive at that conclusion in view of the fact we have lost 4,500 men and gained only 4,900. How efficiency has been enhanced is a miracle, and the minister has some explaining to do there.

[Mr. Forrestall.]

During his remarks he read into the record a chart that covered expenditures for the years 1963-64 up to the current estimates for the fiscal year 1967-68. He dealt with the expenditures that were made in the past, inflated those to current prices, and followed his concept through each of the years mentioned. He dealt with the actual expenses for each year and with the expenses for each year at the 1963-64 level.

This was an interesting academic exercise. But the hon. member for Calgary South dealt in committee with an earlier chart that had been prepared by the Department of National Defence. I do not think the people of Canada are particularly interested in academic exercises. Somebody, obviously, spent much time going down a long, straight road; unfortunately, he wound up in the water.

I will not prolong this point, but it is important for the people of Canada to understand what emphasis the department is placing on different expenditures for the current fiscal year 1967-68. As has been mentioned earlier by the co-chairman of the standing committee on national defence, we cannot do that at present. This matter, too, was referred to by the former minister of national defence. The truth of his remarks strikes me as obvious.

From looking at page 319 of the estimates and glancing down at the headings, mobile command, maritime command, and so on we cannot tell what the actual expenditures have been for naval operations, ground military operations or for tactical air operations. There is no way of sorting out the figures; nor can we determine what the Canadian taxpayer is contributing to our forces in Europe.

This morning, in the standing committee on external affairs, we found that items were dealt with that should properly have come under the estimates of the Department of National Defence. I refer to those items which come under section 1, subsection (d), under the heading "Miscellaneous Grants and Payments". During this morning's committee hearing I found that two items of special interest were noted, namely, defence support assistance to non-NATO countries, \$3.5 million, and defence support assistance to Greece and Turkey, \$1 million. In section 2, subsection (a) of the same document under the heading "United Nations and its Agencies", we find that the UN emergency force is listed under an assessment of 3.17 per cent, plus a surcharge of 25 per cent; the actual dollar figure is \$729,000, and the total is in the order of \$5 million.