

St. Lawrence Seaway Authority Act

brought to his attention in any way whatsoever a reputed meeting of contractors—I believe it was about February of last year—in which, I understand from speaking with an engineer, the view was expressed by some of the contractors at least that the design and the construction of the seaway were undertaken by the federal government on what might be called a crash program and that the work of investigation, design and preparation of the tender documents was done in a great many cases in haste and under heavy pressure which resulted in an inadequate assumption as to the conditions that existed and under which the construction work had to be done, resulting in a number of radical changes in plans and in specifications. The reason why I ask whether there is any knowledge of this is the statement made yesterday by the minister in speaking on this matter of the companies' claims. At page 1163 of *Hansard* we find these words of the minister:

While the claims cover numerous items of work, and as such are to be treated as individual in character, many of them fall into one or more of the following general categories: Claims due to a rising wage level; claims based upon alleged undisclosed ground and water conditions; claims based upon alleged interferences with scheduling of work for various causes, including changes in plans and delays in providing plans by engineers of the authority; claims due to quantities being greater than estimated in tender documents . . . claims based upon the contention that procedures for the disposal of excavating materials differ in actuality from that assumed at the time of tendering.

In view of the fact that that was the statement made by the Minister of Transport yesterday as to the alleged reasons for claims on the St. Lawrence seaway authority and therefore upon the government for an additional \$36 million, it is of vital importance for this committee to have a clear understanding of that matter from the minister because, if I may be allowed to say so with all due respect to the hon. member who preceded me, those were the identical reasons that were given for the situation examined by the public accounts committee in respect of the queen's printer's building. The public accounts committee was asked by this house to investigate the reasons for increased costs. I think I missed only one meeting out of all those that were held. The very reasons that are outlined here as being perhaps the basis for the claims of the contractors are the very things that were proved in the public accounts committee in their investigation last year with respect to another building. Mr. Chairman, I think the minister wants to ask a question.

Mr. Hees: Mr. Chairman, I should like to answer these questions as we go along. First

of all, the hon. member for Vancouver East asked whether I was aware of a meeting of contractors. I do not know of any such meeting and there is no reason why I should. I have been visited on, I suppose, two or three occasions by contractors or groups of contractors who have come to see me, mainly with the idea of putting up to me the proposition that their claims should be dealt with as quickly as possible. The reasons for the claims just mentioned by the hon. member for Vancouver East were those put forward in the written claims submitted by the contractors or groups of contractors and were not the reasons put forward to me verbally or in letter form by any contractors that came to see me.

When I saw these contractors who came to see me on two or three occasions, I simply told them that their claims would be examined as quickly as possible. I outlined to them the procedure we proposed to follow, that in order to speed up the work we had taken on two experienced engineers to assist in this work, and that they and our own engineering staff would be examining these claims as rapidly as possible and in a very thorough manner. I told them that when their examination had been completed the results would be examined by the St. Lawrence seaway authority and then submitted to treasury board. The outline of this procedure seemed to those to whom I spoke eminently satisfactory. They had come to see me mainly to urge that their claims be dealt with as rapidly as possible. I assured them that they would be. I hope that that will answer the hon. member's question.

Mr. Winch: I am glad the minister has taken the opportunity—by the way, I do not want to lose that time?

Mr. Hees: Oh no.

Mr. Winch: —to elucidate further what he said yesterday, but I am afraid I had not made the point which I was coming to. My point was, in view of the fact that additional claims have been put in in the sum of some \$36 million, and in view of the allegations made as to why they thought they were entitled to their claims, which are being studied by the minister and will be doubtless dealt with, this house should be informed, owing to the experience we had last year with another contract, as to what extent on the engineering, planning, test borings and all phases of construction similar mistakes were made on what is now something over a \$300 million project as were made apparently with regard to the queen's printer's building.

Would the minister make a note of my points as I go along and then he can answer them all at the same time.