

While in Halifax it was agreed that due to the size of the H.M.C.S. Bonaventure that the Committee split itself into groups, each group giving closer attention to certain specific areas of investigation under the chairmanship of members of the Subcommittee on Agenda and Procedure:

Mr. N. A. Cafik, M.P. Ontario	Furniture Repairs
Mr. T. Lefebvre, M.P. Pontiac	Machinery Repairs
Mr. R. Rodrigue, M.P. Beauce	Ventilation, Air Conditioning and Refrigeration
Mr. H. Winch, M.P. Vancouver East	Electrical Repairs

Each Subcommittee chairman was asked to report upon his findings and these reports as amended have been accepted and concurred in and form part of this Report.

General Conclusions and Recommendations

Your Committee is of the opinion that this refit was an expensive lesson and should serve as a caution to the Department of Defence Production, the Department of National Defence and other government departments. The Committee would like to underline a number of recommendations made in the Subcommittee reports so they may serve as guidelines for future projects. After hearing all the evidence and carrying out its "on the site" investigations your Committee feels that it has only explored the mere tip of an iceberg of unsatisfactory estimating procedures, miscalculations and poor administration.

1. That greater efforts should have been taken to determine and define the amount of work to be undertaken in the refit prior to the seeking of public tenders.

2. That future contracts specifically indicate that the fixed price quotations for known work, labour and overhead rates for "work arising" are not subject to renegotiation.

3. That "work arising orders" should have been prepared as "contracts" rather than amendments to the main contract. If this had been done a condition would have to be set whereby such "work arising contracts" would have been subject to all the conditions of the main contract regarding labour and overhead charge-out rates, etc.

4. That the Contractor be held to the terms of the original contract in respect to fixed price quotations and charge-out rates.

5. The Committee recommends that the departments concerned determine the reasons why departmental officers involved in the refit performed in the manner they did and also to take appropriate action to ensure that such inefficiency be eliminated in the future. This will require changes to the system under which they work and may require disciplinary action in regard to personnel involved.

The Committee requests that it be informed of action taken in regard to both procedures and personnel involved in this refit.

6. The Committee fails to understand why the Deputy Ministers of National Defence and Defence Production, realizing that the cost of the refit of the Bonaventure was, month by month, getting out of control, did not order an "on-the-job" investigation.