

ing a report addressed to the Chairman on September 30, 1963 by the Secretary of the Treasury Board outlining changes proposed by the Treasury Board in the number and nature of votes in the annual Estimates. The Sub-Committee submitted its report on December 16, 1963 and on this basis the Committee made its Third Report to the House.

Second Class Mail

15. The Committee was informed by the Auditor General and the Deputy Postmaster General that the revisions of second class postage rates which had been made or were in prospect are confined to two areas and that the increased revenue to be derived from these sources is not expected to exceed \$1,000,000 per annum. The Committee noted that such a sum will not be sufficient to cover the further increase in the cost of handling second class mail because the annual deficit is currently exceeding \$26,000,000. The Committee further noted that this deficit cannot be reduced without a general upward revision of rates of postage on Canadian publications, or by means of an annual grant from Parliament in an amount sufficient to cover the loss of the Post Office in handling second class mail.

16. The Committee noted that the second alternative had been the subject of a recommendation to the government by the Royal Commission on Government Organization. The Committee believes that early consideration should be given by Parliament to these alternatives and requests that the Auditor General keep the matter before Parliament in his annual Reports in order that subsequent Committees may give consideration to it.

Interest on Temporary Investment of University Grants Fund

17. The Committee noted that in the discussion of Vote 710, providing for the deletion from the accounts of certain debts due to the Crown, in Committee of Supply in the House of Commons on March 30, 1962, no reference was made to the account standing in the name of the Canadian Universities Foundation and that the listing containing this was not tabled in the House until after Vote 710 had been considered in Committee of Supply.

18. The Committee wishes to draw to the attention of the Executive that failure to disclose information of this type in the Estimates detail laid before Parliament has the effect of denying pertinent information to the Members. The hope is expressed that such an instance will not be repeated.

Prairie Farm Emergency Fund Deficit

19. In its Fifth Report 1961 the Committee, having regard for the fact that the Agricultural Stabilization Act provides for the inclusion of an item in the Estimates to cover the net operating loss of the Agricultural Stabilization Board in any year, recommended "that consideration be given to amending the Prairie Farm Assistance Act to provide similarly for the inclusion of an item in the Estimates to cover any deficit that might be anticipated in the operation of the Prairie Farm Emergency Fund".

20. The Committee is pleased to note the statement of the Deputy Minister of Agriculture that provision for the implementation of this recommendation will be included with other proposals when amendments to the Act are presented for ministerial consideration.

21. In reiterating its recommendation, the Committee expresses the hope that the amendment along these lines will be placed before Parliament at an early date. In the meantime, the Committee requests that the Minister of Finance seek parliamentary approval by means of an Estimate item to cover any