Recommendation

- 7. The Board should be responsible for keeping its own accounting and cost records and should be permitted to keep such records on an "accrual basis" rather than on the "cash basis" followed by Government departments. Receipts and payments should continue to be handled by the Comptroller of the Treasury.
- 8. Annual appropriations for the Board should be made available in two Parliamentary votes, one for operations and the other for the purchase of equipment.
- The costing methods should be changed to reflect all production costs and expenditures in the costs of individual films.
- The Board should be provided with a permanent working capital fund of not less than \$700,000.
- The work of the Board in Ottawa should be centralized and suitable accommodation provided.

- 12. The Board should be permitted to hire employees during pleasure, such employees to continue, as at present, to be exempt from the terms of the Civil Service Act but to be given an opportunity to contribute under the Civil Service Superannuation Act.
- 13. The Government Film Commissioner should review every activity in which the Board is engaged to see whether any of them should be curtailed or transferred to other government departments or agencies.
- 14. Consideration should be given to transferring to the Department of External Affairs the responsibility for non-commercial distribution of films abroad, except possibly in the United States.

Action

- 7. A new accounting system based on these principles was adopted after the enactment of the National Film Act (1950) which granted legislative authority in Sections 17 and 18.
- 8. Appropriations for the National Film Board in 1950-51 and since have followed this pattern.
- Costing methods reflect all direct production costs for individual films including direct administrative costs.
- 10. Section 18(4) of The National Film Act (1950) granted statutory authority for the provision of this amount of working capital.
- 11. The Minister of Resources and Development has announced that a site has been obtained in Ville St. Laurent, a suburb of Montreal, for a proposed new building for the Board. An amount is contained in the 1952-53 estimates of the Department of Public Works for the preparation of working plans for such a building.
- 12. Statutory authority for implementing these recommendations was included in Sections 13 and 14 of the National Film Act (1950). A proportion of the staff has already been designated under the Civil Service Superannuation Act.
- 13. As a result, a review by the Government Film Commissioner, the Posters Division and the Microfilm Service have been transferred to the Queen's Printer and the Displays Division to the Exhibitions Commission of the Department of Trade and Commerce.
- 14. Following an examination of noncommercial distribution abroad and after consultation with the Department of External Affairs, it was agreed that such distribution should continue on the basis of close collaboration between the Department and the Board.

