

Mr. HALES: You did not report that fact to the committee in your first report?

Mr. RICHARD: No.

Mr. HALES: You received that report on January 19?

Mr. RICHARD: Yes.

Mr. HALES: Has the Toronto office been closed?

Mr. RICHARD: No.

Mr. HALES: Have steps been taken to close it?

Mr. RICHARD: No. There are good reasons for not doing that.

Mr. HALES: Why did we spend \$8,100 of the taxpayers money to get the advice from Price Waterhouse if we are not going to take it? Why did we spend this public money?

Mr. RICHARD: I must say that when we employed the Price Waterhouse Company I was looking for better methods of marketing.

Mr. HALES: Better methods of what?

Mr. RICHARD: I was looking for better methods of marketing. We did not get that information. They made a number of suggestions here. Some of them have been adopted already and others it is very doubtful if they will be adopted. There are good reasons why we should not do some of the things they recommend. They only looked at it from the viewpoint of economy, and there are other good reasons for not doing some of the things they recommend. I do not say, however, that we shall not close the Toronto office.

Tied in with the explanation I have just given is the implementation of the mechanical process to prepare our office forms. This is tied together with the other proposed improvements. We are trying out at the present time what they call the xerography mechanical process, and so far it has not come up to expectations. We felt that it would work a great deal better if we had all our forms revised, but there still would be objections to it.

Mr. HALES: Mr. Chairman, I would like to pursue this question of closing the Toronto office. Have we the report here today where Price Waterhouse recommended these things?

The CHAIRMAN: You will find the recommendations on page 233 of the minutes of an earlier meeting.

Mr. HALES: I am sorry, I have not got my copy with me.

Mr. RICHARD, you say it is purely for economical reasons that Price Waterhouse recommend closing the Toronto office. I presume that was the same reason they were asked to make this study. Were they not asked to make this study so as to improve the efficiency of your department? Having received this information in regard to the recommendation they made I am yet to be convinced that there is not a just reason why the Toronto office should not be closed.

Mr. RICHARD: They say that we should close the Toronto office and do the clerical and paper work from Ottawa, including all this xerography process.

Mr. HALES: That sounds reasonable.

Mr. RICHARD: We are trying out the xerography process, but it has not worked satisfactorily as yet.

The CHAIRMAN: I suppose you have suspended judgment?

Mr. RICHARD: We have suspended judgment, if you like, yes.

Mr. HALES: Have you a Montreal office?

Mr. RICHARD: We have what is labelled a Montreal office, here in Ottawa. It is operating from here but is labelled as the Montreal office.