

REPORT TO THE HOUSE

THURSDAY, July 26, 1956.

The Standing Committee on Public Accounts begs leave to present the following as its

THIRD REPORT

Pursuant to an Order of Reference from the House dated March 2nd, 1956, your Committee has had for consideration the Public Accounts of Canada for the fiscal year ended March 31st, 1955, Vol. I, and the Public Accounts of Canada, Vol. II, respecting Financial Statements of Crown Corporations for the fiscal year ended March 31, 1955, together with the Report of the Auditor General to the House of Commons thereon.

These Reports were tabled in the House on January 13th, 1956.

Your Committee held eleven meetings in the course of which it heard the Auditor General for Canada, Mr. Watson Sellar, Mr. K. W. Taylor, Deputy Minister, Department of Finance, Mr. R. G. Robertson, Deputy Minister, Department of Northern Affairs and National Resources and Mr. D. A. Golden, Deputy Minister, Department of Defence Production.

Your Committee examined Mr. Watson Sellar at some length on his comments as contained in his Report to the House which is appended to Vol. I of the Public Accounts as well as on Departmental Accounting Practices and certain aspects of the Financial Administration Act (1951).

Your Committee obtained relevant information and pertinent clarifications from the Deputy Minister of Finance as it did from the Deputy Minister of Northern Affairs and National Resources and the Deputy Minister of Defence Production.

Your Committee also heard evidence on the production cost of 3"/50 Twin Mount Guns for the Royal Canadian Navy and the U.S. Navy. Your Committee obtained additional information thereon in particular with reference to comments by the Auditor General as contained in his report.

Your Committee desires to record its appreciation of the assistance and information which it received during its deliberations from the above-mentioned witnesses.

A copy of the Minutes of Proceedings and Evidence of the Committee relating to the Public Accounts for 1955 as considered by the Committee is appended hereto.

Respectfully submitted,

CHARLES A. CANNON,

Chairman.