

Mr. Pearson responded with an instruction the following day to go ahead as Mr. MacDermot proposed and approved the latter's suggested names for a small departmental committee to discuss these matters: Messrs. Mathews, R. G. Riddell, MacDermot (in the Chair) and Starnes, with Miss Dench as Secretary. The main work of analyzing C.I.S. activities and its costs fell to Mr. Starnes. He found that substantial reductions could be made by combining the C.I.S. administrative section with that of the Department and by combining such costs as postage, telecommunications, messenger service, etc. He also proposed some judgments which would somewhat curtail C.I.S. program activities and would lower costs. These activities recommended for the axe included the C.I.S. Daily Airmail Bulletin, Photos and Mats (to be transferred to the National Film Board), Displays (to go to the Exhibition Commission) and Libraries which would come under the direction of the External Affairs Library Committee.

One feature of Mr. Starnes' proposals, accepted by the departmental committee and, apparently, by the Under-Secretary, was intriguing. The new Information Division, embracing the C.I.S., would consist of two sections. The first section would carry on the functions of the old Information Division. They involved dissemination of secret and confidential despatches, as well as unclassified