

indicate that we do not have a computer. We have our records on an addressograph. There are a number of reasons why we need some leeway in terms of the mechanical process.

There are other critical problems as well. Number one is the question of the cheques themselves. I will ask Mr. Yeomans to outline the problems we are facing in this regard. We have to be poised, as of tomorrow, to order these cheques for preprinted amounts based on the general rate, and we must be ready to go as soon as the legislation is passed. Perhaps Mr. Yeomans could elaborate on this point.

**Mr. D. R. Yeomans, Assistant Deputy Minister, Operational Services, Department of Supply and Services:** Mr. Chairman, the thing which is unusual about this exercise is that the cheques for old age security and guaranteed income supplement that are issued for what we regard as a standard amount—that is, the basic old age security, or the basic old age security plus the maximum guaranteed income supplement payments—are prepared and printed with the amount already on the cheque, as well as the serial number punched into the cheque. This is done by the company that produces the cheques. Honourable senators might expect that we have a stack of blank cheques and that when told the amount we would simply start issuing the cheques in the appropriate amounts. This is true in some government programs, but it is not true in regard to the bill which is before this committee. It so happens that 1,300,000 of the 1,800,000 cheques will have the amounts printed on them in advance by the company producing the cheques. This is why we need some leeway. We must place an order with the company to have the cheques produced and the amounts preprinted on them.

The practice has been to deliver the old age security cheques to the recipients on the third banking day from the end of the month, and in June of this year that would be the 28th. In order to do this the Post Office has told us that we must have all 1.8 million cheques in their hands by noon on June 23. The critical office is the Toronto office that produces the old age security cheques for Ontario, some 649,000 old age security and guaranteed income supplement cheques. It requires about 70 hours to run the equipment in our Toronto office. We must therefore begin addressing these cheques on Saturday, June 17.

**Senator Flynn:** Saturday, June 17?

**Mr. Yeomans:** Yes, that is correct.

**Senator Phillips:** Are you working on Saturdays?

**Mr. Yeomans:** We will have to work on Saturday to meet the delivery date.

**Senator Phillips:** This is a rather unusual situation, is it not?

**Mr. Yeomans:** We will have to work on Saturday to meet this date.

**Senator Flynn:** That is one way or the other?

**Mr. Yeomans:** Working back from that date, we must have the 1,800,000 cheques delivered to our issuing offices

in each provincial capital across the country. The supplier has indicated that in order to do that we would ship them air express, beginning June 12. So, from the 12th to the 16th June the cheques which would have been preprinted and prepunched would be shipped air express to our issuing offices across the country. The supplier has indicated that in order to meet that deadline he has to begin printing the cheques on Tuesday, May 23, and in order to start the presses rolling next Tuesday he has to do his art work and prepare the electrotypes over this weekend.

This is how we arrived at the delivery date of Wednesday, June 28, and subsequently how we arrived at Friday, May 19, when asked the question by officials from the Department of National Health and Welfare when we would have authority to place the order for the cheques.

**Senator Flynn:** That is the answer you gave to the minister, of course; but did you figure out what you would have to do if the bill received royal assent on May 23—the difference that it would make?

**Mr. Yeomans:** Mr. Chairman, we discussed the date with our supplier. We discussed it with very senior officials. Their first statement to us was a date which was about a week earlier than May 19, in order to make the schedule; and we leaned on them hard because we are a big customer of theirs, and they agreed to back up to May 19.

**Senator Flynn:** They were able to save about a week?

**Mr. Yeomans:** Yes.

**Senator Flynn:** That is pretty convincing. That is all what I wanted to know.

**Senator Phillips:** I have a couple of questions. I noticed that the witness portrayed—

**The Chairman:** Before you go on with your question, Senator Phillips, Senator Flynn is a very good lawyer and I would like to clear up the conclusion he arrived at a moment ago.

**Senator Flynn:** If you insist, it is all right. If you think nobody else can do it but you, go ahead.

**The Chairman:** No, no; but you said that you were quite satisfied that they had squeezed in—

**Senator Flynn:** But apparently you think nobody else should accept that.

**The Chairman:** I think that as chairman of the committee I am allowed to ask questions.

**Senator Flynn:** Oh, you are allowed to take sides, certainly, and you usually do.

**Senator Phillips:** Did I understand you to say that you are allowed to take sides and ask questions? I thought you were supposed to be the chairman; and a chairman does not take sides and ask questions.

**The Chairman:** Well, I was asking a question. It was a technical question, as a supplementary to what Senator Flynn asked.

**Senator Flynn:** I warn you that you are following a dangerous course.