

Mr. LONG: That is a good question to ask here. There is no question about the authority being adequate. What worries us here is that this was a mistake made in the superannuation branch. The lady who benefited from the mistake was never told that a mistake had been made. She does not know to this day that she has been overpaid—at least officially she does not. But how as auditors are we to know that in fact somebody did not collect that from her and did not turn it in? The file was completely silent. No approach had been made to her and she knows nothing about what Treasury Board did on her behalf, and this opens the whole thing up. Some unscrupulous clerk could write her a letter—if she is the type of person who does not want to be overpaid, who wants to be sure that anything that she owes is paid—collect the money and put it in his pocket. Nobody would know.

Mr. WINCH: But how could an unscrupulous clerk, you said—I am using your words—send that letter in view of the fact that by executive order certain action was taken to ensure that she did not owe any money?

Mr. LONG: Well, of course, he should not send such a letter but, then, anything a person of that sort does, along that line, is wrong.

Mr. CARTER: If it is established by executive order that the debt could be a mistake and could be wiped out, would that not lead to some abuse? I know of a case, for instance, of a veteran who collected \$9,000. Nobody collects \$9,000 without knowing that there is some error, and he did not draw it to anybody's attention. Eventually, he tried to have it wiped out and it was wiped out by executive order. I am just afraid that if this is established like that, it will lead to some abuse because some employee could, as you say, be using a dead file, issue an executive order that this is wiped out. Who knows who got the money?

Mr. LEFEBVRE: I think Mr. Carter has brought up a very good point. Whether the sum is \$50, \$5 or \$9,000, the duty of the Auditor General, as I see it, is to make sure that the accounts are in order. We all feel the same way about the aged people. They need every cent they can get their hands on to live but that does not take any responsibility away from the office of the Auditor General. His job is to see that the books are kept the way they should be and another department will look after whether the money should be allowed to remain in the hands of those who are receiving it or not. This is the way I see it. Maybe, Mr. Henderson could add to that.

Mr. WINCH: That is my very point. The books must be in order because by executive order under section 23, clause 1, this is wiped out.

Mr. HENDERSON: As Mr. Long explained we went back, behind the circumstance. This originated as a mistake on the part of the Superannuation Branch and, in checking the case through, it became apparent to us that if the executive order could be issued with the ease with which this one was issued, that is to say without any memorandum being on file, attesting to, as I think Mr. Bigg outlined, the circumstances, then, in fact, a person like this might, perhaps, have become aware of it and could possibly have tendered a cheque in her desire to square the books, and that cheque could have been manipulated by an unscrupulous person. This has happened before in these cases. That is why I say it is an elemental facet of internal financial control.