

II—Action Taken by Departments as a Result of Recommendations Made by the Committee in its 1958 and 1959 Reports

10. Your Committee at the beginning of its sittings asked for and was provided by the Auditor General with a detailed memorandum reporting upon the current situation regarding matters which had given rise to recommendations by the Committee in its 1958 and 1959 reports.

11. The information thus provided indicated that in most cases suitable remedial measures had been taken by the departments concerned. However, there were instances where the Committee's recommendations have not been acted upon and which the Committee feels should continue to receive consideration. These matters are noted in the paragraphs which follow:

The Form of the Public Accounts

12. In its Third Report, 1958, the Committee suggested that ministerial proposals for improving the Public Accounts be considered when the Committee was again organized, and in its Second Report, 1959, the Committee was informed that were listings of salaries to commence at \$8,000 per annum instead of \$5,000 in Part II, the book would be substantially reduced. This change was introduced by the Department of Finance in the 1958-59 Public Accounts, but the Committee considers that further measures could be taken.

13. For example, the cost of preparing tabulations and printing travel expense payments to employees whose salaries are below \$8,000 per annum must be out of proportion to end-use value.

14. It was noted that almost ten pages, each with three columns of names and amounts, were used for this purpose for the Department of Agriculture alone in the 1958-59 Public Accounts.

15. The Committee recommends that the Minister of Finance continue to give consideration to the form and content of the Public Accounts with a view to eliminating material that is of little significance.

Second-Class Mail

16. In its Third Report, 1958, the Committee made observations regarding the wide disparity between the cost of handling second-class mail during the fiscal year 1956-57 and the related revenue for that year.

17. The Committee was informed that the handling of second-class mail was estimated by the Post Office Department as having cost \$28,000,000 in 1958-59 (up \$4,000,000 from 1956-57) while revenues were \$6,000,000 (the same as in 1956-57). The Committee recognizes that as no revenue accrues from the handling of second-class mail originating abroad, and because of other factors, rates for mail originating in Canada may not be set at a level designed fully to recover the estimated cost of handling second-class mail.

18. The Committee is disturbed at the annually increasing cost of handling second-class mail. However, having in mind the desirability of continuing to assist the distribution of Canadian publications, the Committee recommends that the Department review the problem to the end that a more realistic policy be adopted.

Treatment of Receipts for Services Rendered

19. In its Third Report, 1958, the Committee recommended that a study be made by the Department of Finance of vote structures of departments