

Comment by the Auditor General: Further reference to this problem is to be found in paragraph 65 of my 1964 Report and again in paragraph 85 of my 1965 Report to the House.

As in the case of item 20, the Minister of National Defence advised me on March 5, 1965 that "no decision has been taken on possible amendments to the Canadian Forces Superannuation Act pending the completion of studies undertaken following the decision to integrate the forces which will have a bearing on those decisions."

22. *Overlapping of pension benefits.* The Committee was pleased to hear from the Deputy Minister of National Defence that it is his intention when the Canadian Forces Superannuation Act is to be amended to bring this matter to the attention of the Ministers with a view to preventing future incidents of this kind. The Committee requested the Auditor General to keep it informed as to progress made.

Comment by the Auditor General: No further information is available regarding this matter since the Minister of National Defence advised me on March 5, 1965 that, as in the case of items 20 and 21 above, "no decision has been taken on possible amendments to the Canadian Forces Superannuation Act pending the completion of studies undertaken following the decision to integrate the forces which will have a bearing on those decisions."

23. *Advances to the Exchange Fund Account.* The Committee recommended that in the event the holdings of the Account drop in value by an amount sufficient to eliminate the surplus of \$30.3 million at December 31, 1963 and create a deficit in the Account, the Minister of Finance of the day give immediate consideration to the elimination of the deficit in order to maintain the full value of the advances made from the Consolidated Revenue Fund to the Exchange Fund Account.

Comment by the Auditor General: A summary of the Exchange Fund Account is contained in paragraph 177 of my 1964 Report and in paragraph 228 of my 1965 Report to the House. It will be noted that the holdings of the Account have not dropped in value and there was a surplus of \$31.7 million at December 31, 1964.

24. *Errors in Public Service Superannuation Account Pension and Contribution Calculations.* The Committee expressed concern that this matter (first drawn to the attention of the Department of Finance by the Auditor General in 1959), which it regards as being very serious, is taking so long to be corrected. It requested the Auditor General to keep it fully informed.

Comment by the Auditor General: In my 1964 Report to the House I outlined in paragraph 51 how the responsibility for the operation of the Superannuation Branch had been placed under the direction of the Comptroller of the Treasury in December 1963.

The extent to which the high incidence of errors continues in the Superannuation Account pension and contribution calculations is described in paragraph 64 of my 1965 Report to the House.