

Mr. Stokes is also responsible for the audit of several of the government departments including agriculture, external affairs and trade and commerce. He is also responsible for the audit of the accounts of several of the unincorporated departmental operating activities including the Canadian government elevators and the national film board.

Mr. HENDERSON: Thank you, Mr. Stevenson.

I should now like to call upon Mr. B. A. Millar. Mr. Millar is my supervisor in charge of defence activities.

Perhaps you would just explain the operation of your branch, Mr. Millar.

Mr. B. A. MILLAR (*Audit Supervisor—Defence Activities*): Under the present organization of the Auditor General's office national defence, or "C" branch, has the responsibility for auditing most of the government organizations involved in national defence. The first of these, of course, is the Department of National Defence and includes an examination of the accounts for the departmental administration, the inspection services and the accounts of the army, navy and air force, as well as the defence research board and the Department of Defence Production, which has a statutory responsibility for defence supplies and naturally falls under our jurisdiction.

We examine the accounts of that department including departmental administration and various votes under "defence production department".

Mr. HENDERSON: Could you speak just a little louder please?

Mr. MILLAR: I am sorry. In addition to what I have mentioned there are two crown corporations in respect of which we do the audit. The first of these is Defence Construction Limited, which awards and supervises contracts in respect of various defence construction projects.

The second is the Canadian Commercial Corporation which is responsible for the procurement in Canada of defence supplies for other governments particularly the United States. Then there is the Army Benevolent Fund Act which requires that the accounts of the army benevolent fund be audited by the Auditor General, and we carry out that audit on his behalf annually.

In addition we are responsible for the audits for a number of non-public funds and associations such as the air force benevolent fund, the air force central institute fund, the air force association; the navy benevolent fund, and the Canadian army welfare fund. The Auditor General has no statutory responsibility for the audit of these organizations but over many years he has accepted the work as being in the public interest.

Mr. HENDERSON: Thank you, Mr. Millar. Now we have Mr. George Long, who is my supervisor responsible for the revenue departments. I now ask Mr. Long to outline some of the work that is carried on.

Mr. G. R. LONG (*Of the Staff of the Auditor General*): Mr. Chairman, my branch is generally regarded as the revenue audit branch. We cover the department of National Revenue, and the postal department, the two large revenue-producing departments. We also audit the revenue section of some of the other departments such as the patent office and the passport office. We have a number of expenditure departments including the expenditures of the Department of Finance, which includes the central pay office, the superannuation branch, the House of Commons, the civil service commission, the Senate, and the accounts of the chief electoral officer. We have a group of crown corporations, five in number; the Export Credits Insurance Corporation, the Farm Credit Corporation, the national capital commission, the St. Lawrence Seaway authority and the Cornwall International Bridge Corporation.

All of these audits are carried on pretty well on a continuous basis. In addition to that, there are a number of special examinations made on an annual basis usually. These are the exchange fund accounts, the securities and deposits division of the Department of Finance the parliamentary restaurant, and an