

*In attendance:* Mr. M. Henderson, Auditor General of Canada; Mr. G. G. E. Steele, Assistant Deputy Minister of Finance and Secretary of the Treasury Board; Mr. Ian Stevenson, Assistant Auditor General, and Messrs. Douglas, Long, Laroche, Millar, Gilhooly and Stokes of the Auditor General's office.

The Clerk of the Committee read the Order of Reference.

The Chairman welcomed the members of the Committee, stressed the importance of its duties and commented on the background of the Committee.

The Chairman then announced the composition of the Subcommittee on Agenda and Procedure as follows: Messrs. Baldwin, McMillan, Regan, Gendron, Hales, Winch and Olson.

The oral report of the Subcommittee on Agenda and Procedure was then presented by the Chairman, who referred to a recommendation that the Committee sit Mondays at 10.30 o'clock a.m., and on Fridays at 9.00 o'clock a.m. After discussion, the Committee agreed to sit Mondays at 11.00 o'clock a.m., and on Fridays at 9.00 o'clock a.m.

The Chairman introduced the Auditor General of Canada, Mr. M. Henderson, who made a statement dealing with the functions of his office and commented on his Follow-Up Report on the action taken by Departments and other agencies in response to recommendations made by the Committee in 1961, including his staff recruitment problems.

Mr. Henderson then introduced Mr. Ian Stevenson, Assistant Auditor General and his senior officers as follows: Messrs. Douglas, Long, Laroche, Millar, Gilhooly and Stokes.

The Auditor General was questioned on his staff recruitment problems.

After discussion, Mr. Hales moved, seconded by Mr. Lessard (*Saint-Henri*),

*Resolved*,—That the Committee commence its Agenda with the Auditor General's office recruitment problems and that the Steering Committee arrange the order in which the witnesses appear. *Motion carried unanimously.*

On motion of Mr. Loisel, seconded by Mr. Muir (*Lisgar*),

*Resolved*,—That the "Follow-Up Report by the Auditor General to the Standing Committee on Public Accounts on the action taken by Departments and other agencies in response to recommendations made by the Committee in 1961", dated October 30, 1963, be printed as an Appendix to the Minutes of Proceedings and Evidence of this day. (*See Appendix "A"*),

On Mr. Valade's suggestion, the Committee agreed that copies of this Committee's Report to the House dated February 5, 1963, dealing with the Auditor General's staff recruitment, be distributed to each member.

On Mr. Baldwin's suggestion, the Committee agreed to now consider the first two items of the Auditor General's "Follow-Up Report" for which witnesses were called to appear at this sitting.

Mr. Henderson made a statement on "Form of the Public Accounts."

Mr. Steele was introduced and he made a statement on "Form of the Estimates" referring to the consolidation of Votes, the necessity of making further improvements, and the recommendations of the Royal Commission on Government Organization thereon.

Mr. Henderson stated his views on "Form of the Estimates" and was questioned together with Mr. Steele.