

19. *Assistance to provinces by the armed forces in Civil emergencies.* The Committee noted that certain provinces had not settled outstanding accounts with the Department of National Defence relating to assistance provided by the Armed Forces in civil emergencies in prior years. It also noted that as the Department had not been successful in collecting the accounts, they had been referred to the Executive for direction but such direction had not as yet been received. The Committee directed the Auditor General to inform it of the final outcome of these matters.

*Comment by the Auditor General:* No further advice is available on this situation since March 5, 1965 when the Minister of National Defence advised me that "there has been no change from the situation as reported to the Public Accounts Committee". It might also be noted that on March 4, 1965 the Minister of Finance advised the Chairman of the Committee that "no decision has yet been reached with respect to this question. A satisfactory solution is still being sought".

I have asked the Deputy Minister of Finance to inform me where this matter stands.

20. *Pension awards effective at early age.* The Committee noted that the Department of National Defence has been conducting a general review of the benefits payable under the Canadian Forces Superannuation Act and has been considering the advisability of introducing deferred pensions similar to those provided for under the Public Service Superannuation Act and that this review is continuing. The Committee requested the Auditor General to keep it informed as to the progress being made in the introduction of deferred pension benefits for servicemen retiring at comparatively early ages.

*Comment by the Auditor General:* I was advised on March 5, 1965 by the Minister of National Defence 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."

It will be noted that paragraph 84 of my 1965 Report deals with this matter. The Department has been reviewing the existing provisions of the Canadian Forces Superannuation Act and has been considering the merits of providing deferred annuities similar to those available to civilian employees but does not contemplate proposing any changes until a more detailed study embracing the implications of the Canada Pension Plan has been completed.

21. *Discretionary awards of service pensions.* The Committee noted that the Department of National Defence is making a study in an endeavour to achieve a system under which the entitlements to all pensions would be specific which, if this were possible, would eliminate the considerations of the Pension Board which is now responsible for establishing reasons for release. The Committee requested the Auditor General to advise it in due course of any action taken to revise the present system.