

*Cost of Unused Hotel Accommodation at Expo '67*

Paragraphs 63, 81 and 268 of the Auditor General's Report brought to the attention of the Committee the fact that the Canadian Broadcasting Corporation entered into contracts with three hotels in Montreal to ensure accommodation for its personnel traveling there on business during Expo '67. Much of this accommodation remained unoccupied 24%, 48% and 50% of the time at a cost of \$148,000 including a termination charge of \$18,900 paid to one of the hotels, while at the same time these rooms were not being used, accommodation in other hotels costing approximately \$40,000 was occupied by Corporation employees.

The Committee is of the opinion that this was a case of faulty planning, poor contracting procedures on the part of the C.B.C., a miscalculation of the situation respecting accommodation in Montreal, poor judgment in the choice of one hotel and greatly overestimating the hotel requirements of the C.B.C. The Committee is also of the opinion that the administration branch of the corporation must accept responsibility for this error in judgement. In the case of the payment of a termination charge of \$18,900, your Committee feels that if the contract had been properly drafted with an escape clause, the Corporation would not have had to pay for the unsuitable accommodation. Your Committee received the assurance of the President that a similar situation would not occur again.

*Emergency Broadcasting*

Under this item an expenditure of \$1,008,578 was incurred by the Canadian Broadcasting Corporation, which is in effect the system by which all radio and television stations are linked together on an emergency warning basis as part of the Emergency Measures Organization.

Although the cost of providing this service has been reduced, your Committee is of the opinion that the costs should be borne by the organization receiving the service and the C.B.C. estimates reduced accordingly.

*Travel Expenses and Claims*

Your Committee conducted an inquiry into travelling expenses of Canadian Broadcasting Corporation personnel and asked the President to supply a sample cross-section of travel expense claims over a period of a month including Expo '67. The President gave reasons why he would rather not table these accounts. After further discussion the Committee fully aware of the authority given it by the House of Commons (S.O. 65(8)) to send for persons, papers and records and its Order of Reference from the House, instructed the Auditor General to make a thorough examination of the accounts in question and report to the Committee as soon as possible.

*Salaries and wages paid for work not performed*

The Committee again reviewed the practice of the Canadian Broadcasting Corporation in making payments to employees for scheduled hours during daily or weekly tours of duty which were in excess of the actual hours of attendance aggregating to approximately \$450,000.

These payments are made in accordance with the provisions of union agreements, the effect of scheduling requirements, availability of artists, and the nature of broadcast program production.