

40. The Committee expressed interest in this summarized listing showing the numbers of employees authorized for the public service, by departments, Crown corporations and other instrumentalities at the close of each fiscal year in comparison with the numbers at the close of the preceding year and commended the Auditor General for assembling and furnishing such an informative listing for the purpose of explaining the second largest object of expenditure in federal spending.

41. The Committee requested the Auditor General to continue to prepare this comparative listing annually and, effective with his Report for the fiscal year 1963-64, to include therein a more detailed breakdown of the various departmental and Crown corporation establishments by divisions and sub-divisions together with the numbers of employees actually on strength at March 31st, for the purpose of showing the size of each establishment's organization on a still more informative comparative basis.

*Internal Financial Control (Paragraphs 15 to 18)*

42. The Committee expressed interest in the comments of the Auditor General regarding the importance of adequate internal financial control in departments and Crown corporations, particularly the need for more effective use being made of staffs engaged in internal auditing work.

43. The Committee requested the Auditor General to continue his examinations into this important area of internal financial control and to report further to the House on steps taken or which should be taken to improve financial management in the various departments, Crown corporations and other instrumentalities.

*Questionable charge to Vote 611 (Paragraph 56)*

44. The Committee noted that although no authority was contained in the wording of Vote 611 for the charge, administrative expenses amounting to \$94,157 incurred by the Canadian Wheat Board in making payments to the western grain producers had been charged to this appropriation by the Department of Agriculture.

45. The Committee recommends that closer attention be paid by the Department of Agriculture to seeing that the wording of estimates items provides for charges of this nature, failing which such charges should not be made thereto.

*Government contributions not made to superannuation accounts (Paragraph 62)*

46. The Committee was concerned to note that no contributions had been made to the Public Service Superannuation Account, the Canadian Forces Superannuation Account or the Royal Canadian Mounted Police Superannuation Account as required by their respective Acts to provide for increases in benefits payable as a result of salary and pay increases during the fiscal years 1960-61 and 1961-62. Evidence was given by the Deputy Minister of Finance to the effect that the Department felt that such increases were not in the nature of general pay increases as set out in the Statutes. As a consequence, no charges with respect to these liabilities were made to expenditure and the present considerable actuarial deficiencies in these superannuation accounts have continued to mount.

47. The Committee feels that steps should be taken promptly by the Executive to remedy this situation and urges the Minister of Finance to give the matter his early attention.