

was informed that institutions have been instructed that allowances paid to them may not be used to finance ordinary maintenance, education and care; instead, the money is to be aside in trusts savings accounts and applied to purposes special to the foregoing.

Your Committee was concerned to learn that one institution is currently receiving over \$20,000 monthly as the "parent" of 3,432 children and that at the end of 1958 it held \$368,000 of unspent family allowances in a pooled account. Your Committee was also informed that no detailed scrutiny of the application given by the various recipient institutions is customary and that the legal rights of the Department, other than to discontinue payments, have never been tested.

It is indisputable that family allowances can be especially beneficial to the category of children now referred to because only in exceptional cases is a welfare institution in position to provide a child with the little extras which are commonplace to the ordinary parent. On the other hand, welfare institutions are rarely self-supporting and, generally, are dependent financially on provincial and municipal grants and donations of private benefactors. Therefore, a grant, in fact if not in name, by the Government of Canada of approximately \$250,000 annually, as in the case now used to illustrate, may have unanticipated consequences unless regulated in appropriate manner.

Agricultural Institute of Canada Publications

Since 1934, the Department of Agriculture has been absorbing the printing costs of certain publications of the Agricultural Institute of Canada. The arrangement was then entered into because of the financial problems of the society. In 1957-58, costs absorbed by the Department exceeded \$18,600, with the amount distributed over six votes of the Department.

It is long established practice to disclose in the Estimates any grant to a non-governmental body, but that has never been done in this case. Moreover, it is generally regarded as being contrary to the public interest indirectly to subsidize what is represented to the public as a non-public publication. Your Committee is therefore of the opinion that the existing situations should be reviewed and corrected.

Service Forces Expenditures

Your Committee considered some cases of extremely high transportation and removal expenses incurred by the Service Forces which were decidedly unrealistic. The Department agreed but stressed that they were exceptions. Your Committee welcomed a statement by the Department of National Defence to the effect that a general survey of local removal costs is being made and that regulations to control other types of removal expenses have already been clarified and tightened up. However, a matter of concern is that the items specifically before the Committee had been passed for payment without exceptions being taken by examining personnel. It is recognized that those subject to military discipline necessarily enjoy limited discretionary powers in raising queries with respect to decisions of superiors but, financial consequences falling on taxpayers generally, it is recommended that, simultaneously with the review of regulations and practices, consideration be given to extending the financial role of the civilians in the Department to prevent the recurrence of similar extravagances in the future.