

MR. SELLAR: I think, Mr. Martin, that you could get that information faster from other sources than from me, because I keep no accounts. I would have to go through all the departments to get the figures. The comptroller of the treasury has a great many accounts on I.B.M. installations, and he could produce those figures much faster than I could.

Hon. Mr. MARTIN (*Essex East*): My reason for asking you first is because you are an unimpeachable authority in these matters.

MR. SELLAR: Thank you.

MR. WALKER: Why would you not try the Bureau of Statistics?

MR. SELLAR: The Bureau of Statistics would not have it.

The CHAIRMAN: Is there anything else on paragraph 16? Paragraph 16 can be read with paragraphs 23 and 24.

Now, paragraph 17. This merely lists the various departments. Paragraphs 18 to 26. Are these examples?

17. Compared with 1956-57, expenditures were \$237 million greater, with over 85 per cent of the increase being in outlays by the Departments of National Health and Welfare, Public Works, Transport and Veterans Affairs. Reference is now made to the more substantial increases.

18. The major increase in expenditures of the Department of National Health and Welfare was in the charge for the old age security fund deficit, which was \$104 million, including a \$1.5 million carry-over from the previous year. This was \$95 million more than in 1956-57. Another large increase was the additional \$40 million spent on family allowances in 1957-58. This was due, in part, to the larger number of eligible children, but to a greater extent to the upward revision in rates authorized by parliament in April 1957 with effect from 1st September. The total of the family allowance payments in 1957-58 was approximately \$438 million compared with \$397 million in the previous year.

19. In the Department of Public Works, the major increase was in expenditures on the trans-Canada highway, these being \$62 million as compare with \$36 million in the year before. About \$49 million was paid to the provincial governments, while the government of Canada spent \$13 million on trans-Canada highway work in the national parks. Another material increase was in public building construction in Ottawa; expenditures totalled about \$17 million, or \$9 million more than in 1956-57.

20. In the Department of Transport, a charge without a 1956-57 parallel is the \$22,073,000 payment to the Canadian National Railways to cover its deficit (in the previous year it had a surplus). The corporate accounts record a deficit of \$29,573,000, but the Auditors' report notes:

In recognition of the obsolescence now occurring with steam locomotives, supplementary depreciation amounting to \$7,500,000 has been charged to operating expenses this year to provide in part for the deficiency in the depreciation reserves which will arise from the early retirement of steam locomotives and their replacement by diesel power.