

APPENDIX No. 6

Q. Can you tell us if Mr. Kerr had any experience in organizing offices?—A. I am not in a position to say very much about that.

Q. I might say that the object in asking these questions is this: Here is a Pension Department, so to speak, organized apart altogether from the Government or from the Civil Service Commission, but organized, I understand, by a business man. We want to get on to the methods employed with a view to ascertaining if any methods were adopted and followed which might be followed to advantage under the Civil Service. This man was a chartered accountant?—A. Yes, and I think Commander Ross had had experience with him in his own business, the Dominion Coal Company, at some time, or his father, Mr. James Ross. I am not certain of that, but I imagine that is how he knew of him, so he organized, as at that time. When I came in in 1917 I was given to understand by the Chairman that in addition to my duties as secretary, I would be expected to act in the capacity of general manager of the organization. To all intents and purposes it was possible at that time, because the staff consisted of approximately 250 people. It was a very much smaller thing than it is now. Our casualties had been pretty light, and there was a relatively small number of things to attend to.

Q. What experience had you had previously?—A. I am Vice-president of James Coristine and Company in Montreal. I do not know that that is any great asset, but my training had been with James Coristine and Company.

Q. What line of business?—A. Wholesale furs and hats, and so on. I had also been dealing with office buildings, the management of buildings, and so on.

Q. Had you been in charge of a large office staff?—A. A comparatively large office staff, yes. As I was saying, we carried on along these lines until last fall when, as the work grew, we found, particularly in the pay end, or the accountancy end of the organization, that we were beginning to slip a bit. Commander Ross took a trip to Washington to look over the American system of paying their war risk insurance, pensions and so on.

Q. That had not been done previously?—A. Major Todd has often been down, but no result had ever accrued. While down there, Commander Ross got in touch with a man called Bailey. I engaged him to come up here. He calls himself a mechanical and efficiency engineer, and he had been employed with the War Risk Insurance Bureau in Washington, in organizing them. Commander Ross engaged him on a nine months' basis, that was to come up for three months, with the privilege of going back from time to time, as he had not finished his work there, and give us a straight six months to reorganize. Mr. Bailey, as the result of conversation with myself and Mr. Archibald, has evolved this organization as shown to-day. I am sorry that I did not bring a chart down; I thought of it after I got here. I can let you have a chart showing the organization principles perhaps better than I can explain them.

The CHAIRMAN: You might send it.

WITNESS: I will send it down.

By the Chairman:

Q. There were some modifications made in the original organization by Mr. Bailey?—A. I would rather say that there were additions made; they were spread out. Our staff has grown so, and the volume of work has grown so, that it is practically impossible for the secretary, as I told you before, to act as general manager. It was impossible for me to get round all the branches every day and see how things were going.

Q. So that up to the present you had Mr. Kerr, who originally organized?—A. Yes, and when he completed that organization, he handed it over to me.

Q. You acted as general manager, so to speak, for a time and now we have Mr. Bailey?—A. Mr. Bailey came in October or November last. His time is up in

[Major Stanley B. Coristine.]