

advances to the Prairie Farm Emergency Fund (that is, the deficit resulting from the Fund's operations) that are to be written off to expenditure for the year.

Reimbursement to Servicemen for Lease Termination Payments

22. The Committee noted the recommendation contained in its Fifth Report 1961 that the maximum period with respect to which reimbursement is made to members of the Forces for lease termination payments should be reduced to the equivalent of one month's rent in future.

23. It further noted that an amendment had been made by the Department of National Defence to its regulations during the past year which provided for discretionary powers to be exercised by administrative officers in dealing with individual cases.

24. The Committee was informed that the Department, in order to avoid abuses, was in the process of issuing a guide for unit commanding officers, in the counselling of Service personnel with regard to the leasing of accommodation.

25. The Committee is of the opinion that a further and more detailed inquiry should be made at the Public Accounts Committee next session.

Advances to the Exchange Fund Account

26. The Committee was informed by the Deputy Minister of Finance that the report by the Minister of Finance which had been requested by the Committee in its Fifth Report 1961 had been drafted and approved by the then Minister. However, because of subsequent developments with respect to the valuation of the Canadian dollar, the information contained therein is now out of date. Furthermore, the Deputy Minister felt that he would like to see additional information included in such a report.

27. The Committee agreed, at the suggestion of the Deputy Minister, that consideration of this item be deferred until the next meeting of the Committee at which time an up to date report would be available from the Minister of Finance.

Unemployment Insurance Fund

28. The Committee noted that in its Fifth Report 1961 the recommendation had been made that the preparation of annual financial statements for the Unemployment Insurance Fund should be made a statutory responsibility of the Unemployment Insurance Commission and that the statements should be reported upon by the Auditor General.

29. The Committee reiterates this recommendation and expresses the hope that when the Report of the Committee of inquiry into the Unemployment Insurance Act (tabled in the House on December 29, 1962) is considered by Parliament, action will be taken to implement this particular recommendation. The Committee noted that the recommendation is also among the conclusions and recommendations of the Committee of Inquiry, as set forth in paragraph 172 of its Report.

Departmental Operating Activities

30. The Committee reiterates its belief that it would be desirable, in order that Members may have a clear understanding of the true financial results of departmental trading or servicing activities, were financial statements reflecting these activities to be included in the Public Accounts, providing this can be done without undue cost or staff increases.