

of the independent examinations conducted by the Auditor General on behalf of parliament, as these are usually in the form of a test audit and the degree or percentage of test is normally based on the Auditor General's assessment of the adequacy of the pre-audit conducted by the comptroller of the treasury and his officers.

The staff of the office consists of approximately 4,500 persons, about one-half of whom work in some twenty-six treasury offices attached to departments, boards and commissions in Ottawa. The other half work in some sixty-seven regional and district offices located in the larger cities of Canada, and in offices in London, Washington, Paris and Metz.

To give you some idea of the magnitude and volume of the transactions involved let me cite a few statistics. During the past year, more than 60 million cheques for amounts aggregating between \$9 and \$10 billion were issued by my office. Of these, 30 million were for family allowances, 10 million for old age security pensions, and 5 million for pensions to veterans, the defence services, the Royal Canadian Mounted Police, and retired civil servants, and for government annuities. About 5 million were for salary and wage payments to public servants and nearly 4 million were for refunds of income tax. The remaining 6 or 7 million cheques were issued in payment of accounts for professional services, materials and supplies, and the construction or acquisition, rental, repairs and upkeep of buildings, works and equipment and under various construction, supply and service contracts.

As I have indicated, one of the responsibilities of the office is the preparation of the annual *Public Accounts of Canada* for submission to parliament. The form and content of this document have always been a matter of interest and concern to members of the House of Commons and to members of the public accounts committee in particular, and, from time to time, over the years, the committee has been asked to express its views on the format and content of the public accounts.

As the chairman, Mr. Taylor and Mr. Steele have mentioned, in 1961 the public accounts committee gave some considerable consideration to the subject of the public accounts. Indeed in that year a subcommittee was appointed to review the form and content of the public accounts. This subcommittee consisted of some seven members under the chairmanship of Mr. N. L. Spencer. I am happy to note that two members of this committee, Mr. Smith (*Simcoe North*) and Mr. Winch were members of that subcommittee.

On the basis of the subcommittee's report, the committee in its second report, which was presented to the House of Commons on April 19, 1961, made a number of recommendations, all of which were accepted by the Minister of Finance and are embodied in the *Public Accounts of Canada* for 1960-1961.

I might explain, Mr. Chairman, that previously, the public accounts were presented to parliament in two volumes, one dealing with the accounts of Canada proper, and the other with the accounts of the various crown corporations and the audit reports thereon. The substance of the committee's recommendation was that volume I be divided into two volumes, the first to contain mainly a summary report and financial statements, and the second mainly details of expenditures and revenues of the various departments.

The aim was that volume one would give an effective over-all financial summary on a broad basis; volume two would contain more detailed and specialized information, and volume three would present the financial statement of the crown corporations and the auditor's report.

The royal commission on Government Organization in its report on financial management has made some recommendations in respect of the form of the public accounts. It may be, Mr. Chairman, that this committee may wish