

the company is now 2,000,000 common shares of no par value, of which 1,350,000 are issued and fully paid.

2. Northern Transportation Co. Ltd. reports operating results on a consolidated basis only. Information on individual subsidiary companies is considered proprietary.

YELLOWKNIFE TRANSPORTATION LIMITED

Question No. 296—**Mr. Herbert:**

1. (a) What was the (i) authorized (ii) issued capital of Yellowknife Transportation Limited at the time of purchase by the government (b) has there been any change in such capital?

2. What is the present retained earnings in the company?

Mr. Robert Bockstael (Parliamentary Secretary to Minister of Transport):

1. (a) At time of purchase
 - (i) 500,000 common shares NPV
 - (ii) 308,003 common shares NPV
- (b) By resolution dated February 10, 1978, the board of directors of Yellowknife Transportation Company Limited agreed to purchase 308,000 shares from Northern Transportation Company Ltd. for redemption, leaving three issued and fully paid common shares at no par value.
2. Nil. The company has been inactive since 1966.

VETERANS AFFAIRS—TRANSFER OF HOSPITALS TO THE PROVINCES—EMPLOYEES

Question No. 341—**Mr. Herbert:**

How many (a) permanent (b) temporary employees of the Department of Veterans Affairs have left the public service in each of the past three fiscal years and the present year to date, as the result of the transfer of hospitals and nursing homes to provincial jurisdiction?

Hon. Daniel J. MacDonald (Minister of Veterans Affairs): In all cases, where a hospital or nursing home is being transferred from the Department of Veterans Affairs, employees are offered employment, the next day, with the new organization.

1977-78	(a) 2050	(b) 35
1978-79	(a) 680	(b) 30
1979-80	(a) 100	(b) 2
1980-81	(a) 540	(b) 3

DEPARTMENT OF SUPPLY AND SERVICES—AUDITOR GENERAL'S REPORT

Question No. 584—**Mr. Cossitt:**

With reference to the Auditor General's report for the fiscal year ended March 31, 1979, at page 515 where it is stated: "We found a number of internal control weaknesses in the way DSS-Services performed the function of the Receiver General... they require prompt attention and correction", to the knowledge of the Department of Supply and Services what are these weaknesses

Motions for Papers

and are steps being taken to give them "prompt attention and correction" as mentioned in the report?

Hon. J.-J. Blais (Minister of Supply and Services): The department is fully aware of the specific control weaknesses observed upon by the Auditor General. These concern five items as follows: keeping signature cards up to date, documenting the reasons for altering client prepared data, reducing the number of types of cheque requisition, more timely reconciliation of cheque issue differences and a change in procedures to ensure cheque issue differences are not carried forward beyond two years. More detail is provided in sections 17.143 to 17.153 of the Auditor General's report. All items are being addressed by the department and, in fact, corrective action has already been completed on two items.

Question No. 585—**Mr. Cossitt:**

With reference to the Auditor General's report for the fiscal year ended March 31, 1979, at page 517 where it is stated in relation to the Department of Supply and Services: "Included in the monthly reconciliation of outstanding cheques were some long-outstanding unreconciled differences which had not been satisfactorily cleared or resolved", what steps is the government taking to deal with this situation?

Hon. J.-J. Blais (Minister of Supply and Services): The steps recommended by the Auditor General are that services "—should strengthen their procedures to ensure timely follow-up and explanation of differences between cheques issued and accounted for." At the time of the initial response to this recommendation, implementation activities were already in progress (reference page 533). Subsequent to this report, implementation was completed and the new procedures are in operation.

Question No. 590—**Mr. Cossitt:**

With reference to the Auditor General's report for the year ended March 31, 1979, at pages 494-95 where it is stated: "We found a number of internal control weaknesses in the way DSS-services performed the function of the Receiver General... they required prompt attention and correction", what is the government doing in this regard including all the details and what are the weaknesses?

Hon. J.-J. Blais (Minister of Supply and Services): The statement on page 494-95 of the Auditor General's report is a summary of the detail given on pages 515-17 which is the subject of question No. 584. The answer given to question No. 584 applies.

[English]

Madam Speaker: The questions enumerated by the parliamentary secretary have been answered. Shall the remaining questions stand?

Some hon. Members: Stand.

* * *

MOTIONS FOR PAPERS

Mr. D. M. Collenette (Parliamentary Secretary to President of the Privy Council): Madam Speaker, I ask that all