Mr. HALES: And the report proposes the same situation in respect of Toronto?

Mr. RICHARD: Yes.

Mr. HALES: That is to operate from Ottawa?

Mr. RICHARD: Yes.

Mr. HALES: Am I to take it from your remarks that you do not intend to close the Toronto office?

Mr. RICHARD: No, you may not take that from my remarks because this is still under consideration pending the results of the trial of this mechanical process. We have been searching for years for a mechanical process to handle this tremendous volume of paperwork. We have tried a number of machines. We have even tried, or had a demonstration of this xerography process some time ago, but did not think it would be suitable. In view of the recommendations made by Price Waterhouse and Company we decided to give it another try. We rented a machine and we are experimenting with it now. We find that this machine will not give us satisfactory results until such time as we are able to change our whole procedure.

Mr. Hales: How many people are employed in the Toronto office?

Mr. HENDERSON: There are two sales employees and five clerks in Toronto.

Mr. HALES: That is seven people altogether?

Mr. RICHARD: I would also like to point out that I commented about the Toronto office here. The report says that inspection of customer relation duties in connection with the Toronto office, could be carried out either by periodic trips from Ottawa, or by resident inspectors and salesmen. The report still recommends that we should have resident people in Toronto. We would also be spending money in travelling expenses to Toronto, and this would be quite a high item.

The Chairman: Mr. Hales, the exact reference in the minutes of this committee is page 329 and page 352.

Mr. Chown: Mr. Chairman, I wonder if Mr. Richard would go over the recommendations from the Price Waterhouse agency starting at page 353 in volume 10, appendix C and tell the committee, taking each recommendation separately, which has been implemented and which has not?

Mr. Morton: And perhaps he could tell us if the recommendation has been considered.

Mr. RICHARD: We have adopted 20 of them.

Mr. Chown: Could you point out which 20? Have you adopted No. 1?

Mr. RICHARD: Yes.

Mr. Chown: Have you adopted No. 2? Mr. Richard: No, under consideration.

Mr. Chown: Would you keep on going through them, please?

The CHAIRMAN: No. 3? Mr. Chown: That is:

Close the Toronto sales office. Operate the Toronto office activities from head office in the same manner as the Montreal sales office.

Mr. RICHARD: I have that as adopted.

Mr. CHOWN: No. 4?

Mr. RICHARD: Nos. 4 and 5 are under consideration. No. 6 is, yes, in time. No. 7 is under consideration. Eight will be adopted. No. 9 will be adopted in time; No. 10, adopted; Nos. 11, 12 and 13 are subject to the result of trials. Nos. 14 and 15, we are not in agreement with. No. 16 is doubtful. No. 17 we are 23350-2—2