SECOND SESSION—TWENTY-NINTH PARLIAMENT

1974

THE SENATE OF CANADA

PROCEEDINGS

OF THE

STANDING SENATE COMMITTEE ON

NATIONAL FINANCE

The Honourable DOUGLAS D. EVERETT, *Chairman*

Issue No. 1

WEDNESDAY MARCH 27, 1974

First Proceedings on the Supplementary Estimates (B) laid before Parliament for the fiscal year ending March 31, 1974

INTERIM REPORT OF THE COMMITTEE

(Witnesses: See Minutes of Proceedings)

27328—1

STANDING SENATE COMMITTEE
ON NATIONAL FINANCE

The Honourable D. D. Everett, *Chairman;*
The Honourable Herbert O. Sparrow, *Deputy Chairman.*

The Honourable Senators:

Benidickson, W. M.
Carter, C. W.
Côté, Jean-Pierre
Croll, David A.
Desruisseaux, P.
Everett, Douglas D.
*Flynn, Jacques
(Ex Officio)
Giguère, Louis de G.
Graham, B. Alasdair
Grosart, Allister
Hicks, Henry D.
Langlois, L.
Manning, Ernest C.
*Martin, Paul (Ex Officio)
Neiman, Joan
Perrault, Raymond
Phillips, O. H.
Prowse, J. Harper
Robichaud, L. J.
Sparrow, Herbert O.
Welch, Frank C.
Yuzyk, P.

20 MEMBERS

(Quorum 5)

**Ex officio member*

Wednesday, March 20, 1974.

Order of Reference

Extract from the Minutes of Proceedings of Tuesday, March 19th, 1974:

"With leave of the Senate,

The Honourable Senator Langlois moved, seconded by the Honourable Senator Buckwold:

That the Standing Committee on National Finance be authorized to examine and report upon the expenditures set out in the Supplementary Estimates (B) laid before Parliament for the fiscal year ending the 31st March, 1974, tabled in the Senate on Tuesday, 12th March, 1974.

The question being put on the motion, it was—

Resolved in the affirmative.

Robert Fortier,
Clerk of the Senate.

Minutes of Proceedings

Wednesday, March 27, 1974.

Pursuant to adjournment and notice the Standing Senate Committee on National Finance met this day, at 10:00 a.m. to consider the Supplementary Estimates (B) laid before Parliament for the fiscal year ending March 31, 1974.

Present: The Honourable Senators Everett, (*Chairman*); Benidickson, Carter, Flynn, Grosart, Langlois, Manning, Neiman, Perrault, Phillips and Yuzyk. (11)

Also present but not of the Committee: The Honourable Senators Aird, Buckwold and Molgat. (3)

In attendance: Mr. J. H. M. Cocks, Director of Research and Administration.

The Honourable Senator Carter moved that unless and until otherwise ordered by the Committee, 800 copies in English and 300 copies in French of its day-to-day proceedings be printed.

From the Treasury Board: The Honourable C. M. Drury, President; Mr. B. A. MacDonald, Assistant Secretary, Program Branch.

The Treasury Board undertook to furnish answers to questions asked by Honourable Senators to this Committee at the earliest possible moment.

It was agreed that an interim Report be presented. Further examination of the Supplementary Estimates (B) be considered next week on Wednesday and Thursday.

Attest:

Gérard Lemire,
Clerk of the Committee.

Interim Report of the Committee

Wednesday, 27th March, 1974.

The Standing Senate Committee on National Finance, to which the supplementary Estimates (B) laid before Parliament for the fiscal year ending March 31, 1974 were referred, has in obedience to the order of reference of Tuesday, March 19, 1974, examined the said Estimates and reports as follows:

1. Your Committee was authorized by the Senate, as recorded in the Minutes and Proceedings of the Senate of the 19th March, 1974 "to examine and report upon the expenditures set out in the Supplementary Estimates (B) laid before Parliament for the fiscal year ending the 31st March, 1974 and tabled in the Senate on Tuesday, 12th March, 1974."

2. This is an interim report to be followed by additional hearings on the said Supplementary Estimates (B) for the fiscal year ending March 31, 1974, leading to a final report.

3. In obedience to the foregoing, your Committee made a general examination of the Supplementary Estimates (B) and heard evidence from The Honourable C. M. Drury, President of the Treasury Board, and Mr. B. A. MacDonald, Assistant Secretary, Program Branch, Treasury Board.

4. These Supplementary Estimates total $1,120 million and bring the total Estimates tabled for the fiscal year ending March 31, 1974 to $21,411 million. It is to be noted that the Supplementary Estimates (A) and (B) total $2,124 million increasing the original Main Estimates from $19,286 million, which, in percentage terms, is an increase of 11%. This increase in the size of Supplementary Estimates in relation to the original Main Estimates has been growing over the past few years and is a matter of concern to your Committee.

5. The largest items in these Supplementary Estimates are as follows:

a) A payment to the Old Age Security Fund to make up the deficiency in the fund, which has arisen out of the increase in the basic pension and the introduction of quarterly indexing—$235 million.

b) Higher Family Allowance payments reflecting the increase in the average payment from $12 to $20 for each child, following the increase last October from the $6 and $8 rates which then prevailed—$190 million.

c) Subsidies to hold down the price of petroleum products to Canadian consumers despite the steep rise in world prices—$240 million.

d) Equalization payments to certain provinces reflecting the recent amendments to the relevant statute so as to include education property taxes as a revenue to be equalized—$146 million.

e) Another payment to the provinces under revenue guarantees that accompanied tax reform—$50 million.

f) Payments to Alberta and Saskatchewan as provided under the Oil Export Tax Act—$76 million.

g) Payments to the railways to compensate them for the freezing of freight rates—$41 million.

h) Additional subsidies to producers of manufactured milk—$31 million.

6. The Treasury Board has supplied your Committee with a list explaining the $1 items in Supplementary Estimates (B).

7. Your Committee expressed concern about the lack of detail that is available in the Supplementary Estimates on the source of funds that constitute a transfer from a vote in previous Estimates to the new Supplementary Estimates. Your Committee recommends that in the case where funds are transferred that full detail be given on the sources of these funds, especially if the source is due to a reduction in a capital project.

8. In continuing its examination on Supplementary Estimates (B), your Committee proposes to consider the following item:

a) The growth in the personnel establishment in the Public Service of the Federal Government. In this connection the following figures indicate the man years in each of 3 years from 1971-1974 for departments, departmental corporations, departmental agencies and certain Crown Corporations whose man years are subject to Treasury Board control:

Year	Total Personnel
1971-72	256,000 man years
1972-73	265,000 man years
1973-74	292,000 man years

These figures indicate an average increase of employment over the last 3 years of 6% per year.

b) The auditing procedures that are to be employed in ensuring that the $240 million paid to oil importers for the restraint of prices of petroleum products to consumers during the period commencing January 1, 1974 and ending March 31, 1974, are fully adequate.

c) At March 31, 1971 the Old Age Security Fund had a cash balance of $728.4 million. As at March 31, 1974 it is forecast that the fund will have a cash deficit of $235 million. Your Committee proposes to enquire into the reasons for this situation and what steps are being taken to correct them.

Respectfully submitted.

D. D. Everett,
Chairman.

The Standing Senate Committee on National Finance

Evidence

Ottawa, Wednesday, March 27, 1974

The Standing Senate Committee on National Finance, to which was referred the Supplementary Estimates (B) laid before Parliament for the fiscal year ending March 31, 1974, met this day at 10 a.m.

Senator Douglas D. Everett (*Chairman*) in the Chair.

The Chairman: Honourable senators, we are here to consider supplementary estimates (B) for the fiscal year ending March 31, 1974. We have with us the President of the Treasury Board, the Honourable Mr. Drury, and Mr. B. A. MacDonald. I will ask Mr. Drury if he has an opening statement.

Hon. C. M. Drury, President of the Treasury Board: If it would help the committee, I have a short opening statement which will lead into discussion.

As honourable senators will see during the review of these estimates, they are for $1,120 million, made up almost entirely of a few large transfer payments. Some are directed to the relief of inflationary pressures on certain groups, others to the provinces, and still others in the form of subsidies to the agriculture and transportation ministries.

I might briefly mention the largest. First there is a payment to the old age security fund to make up the deficiency in the fund, which has arisen out of the increase in the basic pension and the introduction of quarterly indexing, in the amount of $235 million. Then there are higher family allowance payments reflecting the increase in the average payments from $12 to $20 for each child, following the increase last October from $6 and $8 rates which then prevailed, in the amount of $190 million. Next there are subsidies, to hold down the price of petroleum products to Canadian consumers, despite the steep rise in world prices, of $240 million. Then there are equalization payments to certain provinces reflecting the recent amendments to the relevant statute, so as to include education property taxes as a revenue to be equalized, in the amount of $146 million.

There is another payment to the provinces under revenue guarantees that accompanied tax reform of $50 million. Next there are payments to Alberta and Saskatchewan, as provided under the Oil Export Tax Act, of $76 million. Then there are payments to the railways to compensate them for the freezing of freight rates, in the amount of $41 million. There are then additional subsidies to producers of manufactured milk in the amount of $31 million.

The eight items that I have mentioned account for about 90 per cent of the total in dollar terms.

There are, in addition, a large number of smaller items, since the final supplementary estimates present the last opportunity in the fiscal year to bring a wide range of financial transactions before Parliament.

The listing of the $1 items, with brief explanations, has been made available to the committee, as is the custom.

I would be happy to try to answer questions on what I have said or on any other matters in these estimates, to the extent that my knowledge permits.

The Chairman: Thank you, Mr. Drury.

Honourable senators, you have before you, as Mr. Drury has said, a summary of the $1 items and a copy of supplementary estimates (B). You also have before you some material respecting the Agriculture vote 15b; the Consumer and Corporate Affairs vote 25; the Energy, Mines and Resources vote 11b; and the National Health and Welfare vote 46b, in respect of the supplementary item of $235 million paid to the Old Age Security Fund.

We are open for questions. Senator Grosart?

Senator Grosart: Thank you, Mr. Chairman. I am sure we would like to assure the minister that we are not going to take him through the same routine of questioning as in another place, where the discussion got a little beyond the estimates themselves and into other fields.

However, there was a difference of opinion as to how great an increase there will be percentagewise in the total estimates this year from the main estimates. Can the minister give us that figure? That is, taking supplementary estimates (A) and (B) and putting them together, what was this total figure for 1972-73?

Hon. Mr. Drury: Mr. Chairman, I am not sure whether Senator Grosart is asking me to do some arithmetic. I will give him the particulars and let him do the arithmetic.

The main estimates for 1973-74 were in a total of $19,286 million. That was made up of $9,180 million statutory and $10,106 million to be voted. I mention this breakdown because, interestingly enough, we have been moving year after year from a position in which the amount to be voted was considerably larger, and the statutory, which are almost automatic payments, were a modest fraction of the total. This year the difference between these two is much less—the ratio would be 11 "to be voted" and 10 "statutory"; next year it will be just about 50-50; and the following year the statutory is likely to be higher than the amount to be voted. This indicates that the discretion of Parliament has been limited, by Parliament. This annual discretion is becoming increasingly limited, unless we change statutes and the statutory payments.

The supplementary estimates (A) totalled $1,004 million. The supplementary estimates (B) totalled $1,120 million. So the main estimates of $19,286 million, plus supplementary estimates (A) and (B) of $2,124 million, give a grand total for the year of $21,411 million.

Senator Grosart: Mr. Chairman, I wonder if I might ask the minister whether this distinction, between amounts to be voted and the statutory items, is really all that significant. I know it is significant in respect to the estimates themselves, but really we are dealing throughout with moneys voted by Parliament, and whether they have been voted in the previous years or not does not matter very much, because these acts can very easily be repealed.

It has always occurred to me that we are building up a wall here, in that the particular departments—perhaps even the officials of the Treasury Board—may work on an assumption that, "These are statutory items and you cannot do anything about them." In any systems analysis approach this is what one should be looking at—the hardest—the existing ones.

I have not looked with too much distinction on those which are to be voted and those which are statutory, because they are all to be voted, all are up for the scrutiny of Parliament. Could you tell us what is done by the officials of the Treasury Board to scrutinize these so-called "statutory" items? How hard do you look at them and ask, "Does this thing have to keep going on?"

Hon. Mr. Drury: You ask, "How hard does one look at them?" In current thinking, almost everything that is looked at is looked at with a view to increasing it. We had to look at one statutory payment in the course of the current year, the Family Allowances Act, and that was looked at, not with a view to reducing the payments or revising the payments downward, but rather upwards. There is no question about it, the pressure generated for re-examination of statutes is with a view to increasing the payments under them, never really the reverse.

During the course of the year, the Treasury Board Secretariat does try to construct a budget, which does examine critically some of the payments authorized by Parliament which have ceased to be productive, to perform the purposes they did. Indeed, we have had some success in revising or eliminating some forms of payments authorized by the Appropriation Acts, though I cannot think of one right now which calls for the repeal of a statute.

One may indicate the kind of treatment that this kind of review is likely to get. Some years ago we had to look at the Veterans Land Act and, even before that, at the Government Annuities Act. We came to the conclusion that the Government Annuities Act was not serving any useful purpose, so it was phased out, and this in fact has been done. We reached the same conclusion in respect to the Veterans Land Act, that the sort of rationale for the original act which we had, which was originally administered, was no longer appropriate to our circumstance—the war was a long way away, the purpose had largely been met, and it was agreed to phase it out. The act was amended with a view to terminating it.

This was an example of the review process leading to a conclusion that this kind of expenditure was not serving as useful a purpose as it had served when it was enacted.

When we get to the parliamentary crunch, if I may call it so, the pressure tends rather to be not to abandon an act, not to persist in phasing it out.

Senator Grosart asked me how hard we work at this. We try to see where statutes are being operated largely out of habit, that have either accomplished their purpose or their purpose has become outmoded. It is not so easy, for quite understandable reasons, to do this.

Senator Grosart: Thank you very much.

Senator Flynn: It is easier with a majority in the house.

Hon. Mr. Drury: I am not sure whether the honourable senator is advocating that. If you are advocating that, I won't dispute it.

Senator Flynn: I am rather shy about advocating it.

Senator Carter: Mr. Chairman, along the same lines as Senator Grosart's questions on the statutory items, I note that a large section of statutory items is made up of salaries. How big a percentage of the statutory portion is salaries?

Hon. Mr. Drury: Mr. Chairman, the statutory salaries are those of the ministers, relatively few public officials—the Speaker and people like this—and Members. The other salaries, the so-called civil list has to be voted annually; and this is one of the classic weapons of Parliament in keeping the government under control, as Parliament can withhold authorization to pay the salaries of the Public Service. Unless Parliament agrees, they do not get paid, as from April 1. This is in the "To be voted" section.

Senator Carter: Then salaries do not comprise a significant part of the statutory items?

Hon. Mr. Drury: Insignificant.

Senator Carter: I said "not a significant."

Hon. Mr. Drury: I would be a little stronger and say "insignificant".

Senator Carter: Health grants, are these statutory items?

Hon. Mr. Drury: Some forms of health grants are and some are not. It is quite a complex arrangement that we have in respect of health grants. In order to distinguish the health grants, since some are statutory and some are not, if it would help I can read from page 1-74 of the 1973-74 estimates the main statutory items, adding up to $8.7 billion of the sum of $10 billions.

Senator Carter: Yes, I would appreciate it if you would give us the main headings of that.

Hon. Mr. Drury: The financing of the public debt program.

Senator Carter: Yes.

Hon. Mr. Drury: That is really interest on the public debt—$2.5 billion; the fiscal transfer payments program, fiscal transfers to the provinces, $1.3 billion; hospital insurance contributions—those might be called health grants, $1 billion; Unemployment Insurance Commission payments, $890 million; medicare contributions, $712 million; Canada Assistance Plan payments, $574 million; Family Allowance payments, $547 million; post-secondary education payments, $480 million; contracting out payments program—sort of opting out, $183 million; military pensions for the Department of National Defence, $178 million; payments to railway and transportation companies as determined by the Canadian Transportation Commission, $142 million; and youth allowance payments, $64 million.

Senator Carter: Thank you.

Senator Grosart: Mr. Minister, I believe you indicated that there would be an increase of some 13,000 employees in the Public Service in respect to the administration of the Unemployment Insurance Commission, and so on. Is this the total increase anticipated?

Hon. Mr. Drury: We are talking about next year now, are we?

Senator Grosart: Perhaps I should not be jumping so far ahead, but it did come into the discussion of these supplementary estimates.

Hon. Mr. Drury: There is no provision made in the supplementary estimates for the additional 13,000 in the Public Service. This is made up of some 4,000 in the Post Office, who are almost entirely outside letter carriers. This is part of the operation of catching up by the Post Office on the freeze on their expansion of services, not meeting the norms established for letter delivery which were frozen in 1969. That remained for a while, then was removed, and this is the part of the catch-up as a consequence of an expanded population, growing urban communities and an increase in the letter carrier delivery.

Senator Grosart: What is the present total of the Public Service proper, not taking into account crown corporations and so on?

The Chairman: Is that man-years or just totals, senator?

Senator Grosart: It does not matter which way—perhaps man-years or bodies.

The Chairman: Man-years is more significant.

Senator Grosart: Yes. Let us say full-time employees.

Hon. Mr. Drury: There is a distinction, Mr. Chairman, in that man-years are authorized and may not correpond at any moment to strength. You can have two people on strength for half a year, for example.

In the government departments, departmental agencies and departmental corporations—and this does not include the Canadian Commercial Corporation and this kind of thing—at the end of the current year, 1973-1974, 290,000.

The Chairman: Is that man-years?

Hon. Mr. Drury: That is man-years.

The Chairman: And that is for departmental agencies and—

Hon. Mr. Drury: Departments, departmental agencies and departmental corporations.

The Chairman: But not crown corporations.

Hon. Mr. Drury: A departmental corporation is a crown corporation.

Senator Grosart: But you mean not proprietary corporations.

Hon. Mr. Drury: The varieties of crown corporations are laid out in four schedules in the Financial Administration Act, and really depending on the degree of autonomy they fall into schedules 1 to 4. The departmental agencies may be crown corporations. The departmental corporations are crown corporations, but have really no autonomy at all and, consequently, are included in these figures of so-called public servants. The government can and does control, in the same way they do departments, the man-year allotments. For other crown corporations, such as Atomic Energy of Canada, the CNR, Air Canada, the CBC, the government does not exercise any control over numbers of men, man-years or classifications—directly, that is.

Senator Grosart: The reason I ask the question is that sometimes in the supplementaries it is not made clear just what additions there will be to the roster of public servants—for an obvious reason, I think.

Mr. Chairman, I have one final question before I pass on to the inevitable $1 votes. With respect to the contingency fund, as I understand it, there has been a substantial change. Was it not in supplementaries (A) that you decided to write off part of the moneys in your contingency fund? What is the status now?

Hon. Mr Drury: The contingency vote has remained, in a sense, substantially unchanged in quantum over the past ten years, and it has been at times slightly over 1 per cent of the total amount to be voted—not 1 per cent of the total estimates, but 1 per cent of the discretionary to be voted. Sometimes it has been below. This year the amount proposed will represent eight-tenths of 1 per cent of the amount to be voted. That is in relation to the quantum.

The purposes have always been to cover unforeseen expenditures, and the contingency fund has been treated as an advance and the expenditures made out of the contingency fund have been subsequently authorized by supplementary estimates—so-called replenishing, although it is not, indeed, replenishing but just merely re-establishing the amount of the authority in the contingency fund.

One of the uses made of the contingency fund was to finance the difference between the nominal cost of a pay increase arrived at through the collective bargaining process, which was put in the main estimates—the difference between that nominal amount and what was actually negotiated was paid out of the contingency vote. There was a parliamentary authorization for a while to carry over from year to year unexpended sums in the contingency vote used for or anticipated for these payments. This meant that one was accumulating and carrying over from year to year authorization to spend for this purpose without having to go back and seek the annual parliamentary authority. The Auditor General, among others, regretted this practice, as being a derogation of the authority of Parliament, the control of Parliament, and we ceased the practice a year and a half ago and got rid of the last vestiges of parliamentary authorization to do it in the first supplementary estimates of this fiscal year.

Senator Grosart: I think a rather important question in respect to the one dollar vote is that very often, when we see the item, "Source of Funds," the explanation is that certain capital expenditures anticipated were not made. Are these listed anywhere? I could give you some examples.

Hon. Mr. Drury: I am not sure, Mr. Chairman, that we do prepare a list of things we have not done.

Senator Grosart: Vote 15b under "National Defence," at page 58 of the supplementaries, is one example.

The Chairman: Could you refer to the specific item on page 58, please, senator?

Senator Grosart: Yes, it is page 58, vote 15b. I am just trying to see where the source of funds is.

Hon. Mr. Drury: The explanation, if I might help, is in this large, foolscap document called "Explanation of One Dollar Items," at an unnumbered page about half way through, under the heading, "National Defence." That is with regard to vote 15b.

The Chairman: That is on Schedule C, the second page in.

Hon. Mr. Drury: I think I am looking at a different "Explanation of One Dollar Items" in the supplementary estimates.

Senator Grosart: It is under C.

The Chairman: What page in from the start of Schedule C?

Senator Langlois: It is also on the third page of Schedule C at the top.

Hon. Mr. Drury: "Source of Funds—Vote 5." Vote 5, in the Department of National Defence.

Senator Grosart: Yes, vote 5; that is right.

Hon. Mr. Drury: It is the vote for capital equipment, and the explanation given is, "because certain capital projects have not proceeded as quickly as expected under this program." There is no detailed outline in the estimates of the capital program of the Department of National Defence, so it is not possible to point to "A", "B", and "C" as not having been proceeded with.

Senator Grosart: There is another one: Vote 1b, under "Transport." "Funds are available due to delays in certain Marine Capital Projects." And there are other examples throughout this.

The Chairman: Is that also a $1 item?

Senator Grosart: Yes, it is. I am sorry, Mr. Chairman, but I am working from an earlier explanation of the $1 items, because this one only arrived this morning and I could not do my homework on it between the time I received it and this meeting.

The Chairman: Would you prefer those in advance?

Senator Grosart: I think we should have them, yes.

The Chairman: Is it possible to have them in advance?

Mr. B. A. MacDonald, Assistant Secretary, Program Branch, Treasury Board Secretariat: Yes.

Senator Grosart: They are available now, Mr. Chairman, largely because the Commons has at last decided to look at $1 items. I think we can take credit for having started the inquiry into $1 items here, because I remember not too long ago asking Mr. MacDonald, I think it was, if the Commons were provided with this information in advance, and he said, "No" I asked, "Why?" and he replied, "Because they never asked for them." I see now that they are very keen on examining them.

The reason I raised the matter of capital projects is that they have been approved by Parliament. Parliament has said that they should go ahead. It is understandable that there may be all sorts of reasons why they may not be able to be proceeded with during the year, but it would seem to me to be important to have a list of them, because here it is said, "We are not doing what Parliament has said we should do. We have found the money, which is fine, and that is why all these items are under transfer, because we have found the money, but we have not gone ahead with certain projects." How would anyone know what those projects were that the department has not gone ahead with? Where would that list be available? I am thinking, perhaps, of a member of Parliament who is very happy because a certain project has been approved by Parliament for his constituency, but which is not going ahead. How does he know, or how does the public know, that at the departmental level it has been decided to change the decision of Parliament? And I am not criticizing anyone on that basis.

Hon. Mr. Drury: Well, in relation to the specific question, "How does he know?" we do not publish, in respect of National Defence, their capital equipment program.

Senator Grosart: That is understandable, in that case.

Hon. Mr. Drury: And we do not publish in advance minor capital items of departments. It is only the major capital items which appear, and in most of these cases availability of funds in capital programs, I think, arises out of delays rather than deciding not to proceed with them.

To take one example, the capital requirements of the Mackenzie Valley pipeline have been deffered for some time, not because somebody has decided not to go ahead with it, but just because, with the best will and with the greatest enthusiasm in the world, you cannot get through all the delays and overall the obstacles, as quickly as you anticipated.

I suppose a case in point is in the Ministry of Transport. There would be, from year to year, funds available in a given year in respect of the new airport at Montreal, which has not called for the funding, which means the completion on the planned date, at the outset.

Senator Grosart: I can fully understand the reason for the delays, but—

Hon. Mr. Drury: I am just suggesting that the availability of funds is not a consequence of a decision not to proceed, but, really, inability to proceed. Now, how does one find out what is not going as far as was hoped? About the only way this could be ascertained is by inquiry on a specific project, if one has an interest in this; and I think those who are interested in Mirabel do, and have inquired. For those who are not directly interested, I am not sure how we could satisfy their curiosity, except by publishing a progress report on every capital project.

Senator Grosart: One way it might be done would be to follow the good example of giving us a written explanation of all these $1 items, by explaning the sources of these funds; that is, by saying to the departments, "Well, tell us what capital projects you have obtained the funds from, which are delayed—and, particularly, are there some that have been abandoned?"

The Chairman: Are you dealing now with capital projects? There are also budgetary items that are transferred over.

Senator Grosart: Well, for the moment I am simply dealing with sources of funds from capital projects not proceeded with in the current year, because over and over again we get these explanations.

Senator Flynn: Just for clarification, these things do not always come under the $1 items.

Senator Grosart: Oh, no, and I am not saying they do, but there are some in the $1 items which we are now dealing with, so I am raising the question generally.

The Chairman: Senator Flynn's point is a good one too in that there are many items also that are transfers outside the $1 items.

Senator Grosart: Oh, yes, of course, and you find them in the main estimates. However, I shall just leave the suggestion with the Minister, but I think it is important that we should know specifically what projects are involved because some of these amounts are very large.

Hon. Mr. Drury: Well, in the case of the National Defence one, the capital budget is $229.533 million and the supplementary estimate is for $249,000 which is roughly one-thousandth of the capital budget.

Senator Grosart: But we have them sometimes into the millions. I cannot spot one right now, but we have had them where there have been savings into the millions. I believe that there is one in here of $5 million, but I cannot find it at the moment.

The Chairman: If I may put a supplementary question: In the case of a capital project where an amount is transferred because the project is not moving as fast as originally intended, presumably you would have to go back to Parliament when it does start to move, to receive an authorization of the additional funds required.

Hon. Mr. Drury: That is correct. The funds necessary to complete would have to be sought annually in each year of completion, and our function is to see that these delays do not lead to net increases. If they proceed rather more slowly and spend the money on something else, then they have to underspend to make that up. That is what we try to do.

Senator Grosart: The same element of importance of information would apply again to the remission of debts, and here I refer to the fourth category of the $1 items. What is the departmental policy in making public the names of the people concerned and the reasons? Do you have a policy on this? I ask this because sometimes they appear and sometimes they do not. Understandably, you might want to protect someone who is dead.

Hon. Mr. Drury: Our policy is to follow the law. I do not know in detail what it is, so I would ask Mr. MacDonald to explain.

Mr. MacDonald: Mr. Chairman, a summary of all deletion of debts is published in the Public Accounts, and we have on occasion been asked by your committee or by the house committee for details and we have provided those details. However, this can be very voluminous because it involves every debt of over $5,000. They are usually classified as bankruptcy or deceased without an estate, or something of this nature, rather than individual particulars about each debt.

Senator Grosart: I notice in connection with National Revenue, vote 1b, on page 66, there seems to be a debt remission there. Why would that be shown separately rather than in the Schedule D? Is there a reason for this?

The Chairman: This is in connection with Customs and Excise?

Senator Grosart: Yes. According to my note, it is in connection with National Revenue, vote 1b, page 66, and it is explained among the $1 items.

Mr. MacDonald: I believe the difficulty there, senator, is that we sometimes have a $1 item that covers more than one class of transaction, and in order to avoid confusion we do not repeat it. As you will notice, this is a $1 item which is also concerned with the reimbursing of a loss in a working capital advance account, and the actual charge will be made to available funds within that vote 1b for National Revenue; and, in addition, there is a request to authorize the deletion of certain debts. But it is shown only in one schedule, and it is a question of which is the more substantial matter.

Senator Grosart: If you did not have the first half, the $4 million but only the $69,000 deletion, would this then have gone in schedule D?

Mr. MacDonald: That is correct.

The Chairman: Senator, would you mind if I were to pass on to some others for a moment and then come back to you? I do not want to interrupt your line of questioning, but if it can be interrupted at this point, I could come back to you again.

Senator Grosart: Certainly.

Senator Flynn: Mr. Chairman, I should like to ask the minister a question that is along the line being pursued by Senator Grosart. We started some years ago to show funds that were already available because they were not used for the original purposes, so that supplementary estimates tend to show the additional amount being asked over the original estimate. I was wondering what is the percentage, as a rule, of the total estimates voted each year which lapses through not being used. Have you any figures on that?

Hon. Mr. Drury: We do not have with us any precise figures or tables showing the experience over the past few years, but it varies between 1½ per cent and 2 per cent.

The Chairman: But did you not have some figures on lapses about a year ago?

Hon. Mr. Drury: We did, but we do not have them with us now. It would be 2 per cent or less. This is an exercise to which the Treasury Board directs itself, that is to keeping this at a minimum and not seeking authorizations that we do not need and cannot effectively spend. One way of reducing the lapses is to demand the $1 items. We could get over all this, if you like, parliamentary difficulty by seeking authorization for additional money in the knowledge that the lapses would rise to perhaps 3 per cent or more. This does not seem to be really as accurate a portrayal of government expenditures and government accounts as the $1 item transfer reducing the lapses.

Senator Flynn: I agree with that, but if a department is not asking for supplementary estimates, then you will not show here the funds which are available and probably will never be used for the lapse.

Hon. Mr. Drury: No, we do not.

Senator Flynn: I was wondering then if it would be practical, when supplementary estimates are brought forward, to show some estimates of the amounts that will not be used until the end of the year, because even 2 per cent of $21 billion or $22 billion is quite an interesting sum.

Hon. Mr. Drury: It would require a tremendous amount of detailed information. The process of budgeting is to allocate large sums of money with authorization to a department to spend. The department, in turn, does a sub-allocation by division and another sub-allocation by branch and so right on down to quite small controlled units who like to be sure that they have enough money to meet their needs for the forthcoming year. If that is done, then the total of the lapses represents the accumulation of relatively small sums in each of these sub-sub-sub-allocations, and the detail as to how the total of 2 per cent is arrived at would begin to fill volumes.

Senator Flynn: I suppose so, but the fact is that when the department submits supplementary estimates at the end of the year it must make calculations to discover whether there are funds available which could be put in to offset the amount. This would require either a $1 item or a lower item than the amount of the supplementary estimates requested.

Hon. Mr. Drury: The process you describe is quite correct. At the time of printing the supplementary estimates it would not be possible to furnish more than a guess or an estimate of the lapse. The departments are authorized to make payments, in relation to the fiscal year just ended, all through the month of April, and these are not compiled and recorded until the end of June. The information, therefore, is available only in June, whereas the supplementary estimates must be printed.

Senator Flynn: An estimate would be useful, however, I think when one is studying supplementary estimates at this time. We would have a better idea if an estimate of the funds which will lapse were available, if that were at all possible. I do not mean going into too many details but my question, in fact, is intended to relate to something else. The budget speech, of course, relates the budget to the main estimates as tabled at that time, usually. There is a relationship between the main estimates and the revenue in the annual budget speech of the Minister of Finance, whenever he makes one. In the subsequent supplementary estimates, however, there is no relation to the income or revenue. In some cases new situations prevail, as we experienced this year in connection with the family allowances, old age pension and, especially, the oil crisis. These introduce additional revenue but also involve additional expenditures in some cases. We are unable to assess the effect of the supplementary estimates with regard to the revenue, which may have changed entirely. This year is a case in point, the revenue being much higher than was forecast by the minister last year. If my memory serves me right, he had in mind a deficit of something in the order of half a billion dollars, and now, even by adding over $1 billion as a result of these estimates, he does not expect a higher deficit.

Hon. Mr. Drury: Mr. Chairman, the Minister of Finance in his budgetary operation does a forecast of expenditures in macro terms, which might differ from the total sum disclosed in the estimates. This document, the main estimates, is not necessarily, indeed it really is not, a forecast of expenditures. It is seeking authorization of Parliament, as a first step, to spend this amount of money for these detailed, specific purposes. The Minister of Finance knows when he is preparing his budget that that amount of money is going to be spent. He also makes a forecast of additional sums that might be needed, for which parliamentary authorization has not been sought but will be later on. He therefore attempts to consider the whole area on rather a different basis and estimate or calculate the amount of the total expenditures. He does this on the so-called macro basis, rather than computing the arithmetical sum of all the details as is done in these estimates. He knows that some of these details will not proceed and others will cost more. The total figure may remain substantially the same, but the detail is likely to be varied. Indeed, the $1 items are variants, but in his budget he endeavours to forecast the total of expenditures, both budgetary and non-budgetary, and to estimate his revenues, some of which will not have at that point been authorized by Parliament. It is rather different from the main estimates you are considering. The government is seeking to have the Crown authorize these as a first tranche in the knowledge of—and, indeed, the rules provide for this—two further steps of parliamentary authorization, the supply periods. So that to suggest that the main estimates represent the government spending program for the year displays either ignorance of the manner in which the system works or even of the rules or, perhaps, a calculated attempt to mislead.

Senator Flynn: Generally however, at the time the Minister of Finance delivers his speech he has no other indication of the expenditures which will be made, or approval of which will be sought by Parliament, beyond the mainn estimates. He may add 5 or 7 per cent, which is usually the amount of supplementary estimates. This year it is more than that, but usually that is the case.

Hon. Mr. Drury: If I may offer one small example: We have known for quite some time that subsidies to the railways, as a consequence of the freeze placed on them before last year's budget, would call for a substantially increased subsidy payment to them to offset the freeze. However, there was not indication of this in the main estimates. He knew it was going to happen, and he knew that we were going to have to come to Parliament to ask for the authorization. He knew there was going to be some expenditure. All he had to do, in a sense, was to guess at what that amount might be. This goes into his arithmetic or forecast of expenditures for the year.

Senator Flynn: This forecast of expenditures is not detailed?

Hon. Mr. Drury: No, it is not; it is in global terms.

Senator Flynn: The point I wanted to make is that when you consider supplementary estimates as well as the main estimates, you should have in mind what will be your revenue and the possibilities of your paying. I was wondering, when we have supplementary estimates, whether we could have some information, either in the book itself or otherwise, or the change or what it means in practice, what deficit or what surplus we can expect by voting these additional sums. After all, from the viewpoint of Parliament, if I am asked to authorize $1 billion additional estimates, I would like to know if it means $1 billion additional to the deficit or only part of it. The government has already in store the funds to meet practically all these expenses.

The Chairman: We could, of course, call the Minister of Finance or his officials to testify on that.

Senator Flynn: I do not think there should be that division between the estimates and revenue. It seems to me that they go together. It is a practice that has been going on in Parliament for years. You deal only with the expenses. Is it justified to spend this sum without regard to the capacity to do so?

Hon. Mr. Drury: Well, Mr. Chairman, I take exception to that. The senator is asking for not one budget a year but three, that the balance of ways and means, which traditionally has been struck once a year—although there have been occasions when we have had two budgets a year—should be struck three times a year.

The Chairman: But quite often is it not a case of the Minister of Finance amending his forecast during the course of the year without bringing down a budget? He will make a statement on the fact that revenues are higher than they were and that the deficit or surplus has changed. I think that is what Senator Flynn is getting at. Probably we can solve the problem by asking Finance to provide up-to-date figures on their revenues and projections.

Senator Grosart: I think that what Senator Flynn is asking for is a statement of the amount of money available for transfer which the departments have not been able to find a way of transferring.

Senator Flynn: No, not exactly that.

The Chairman: I think that is something that your chairman can probably deal with. Do you have any comments on that, Mr. Drury?

Hon. Mr. Drury: No. I think Senator Flynn understands that the main estimates are not the whole—

Senator Flynn: Not the only basis.

Hon. Mr. Drury: That is right; and that the main estimates and figures, the numbers, given by the Minister of Finance in his budget, which follows quite shortly thereafter, will be different, because he is looking at the whole year. This is merely a statement, the main estimates of the authorizations being sought, on the clear understanding that there will be supplementary estimates (A), to be completed by December 10 every year, and the final supplementary estimates on March 26 for the House of Commons. The whole three-step procedure, or the three tranches procedure, is incorporated in the rules. What the honourable senator is suggesting is that the balance of ways and means, which is struck in the budget by the Minister of Finance once a year, should be done, in effect, three times a year.

Senator Flynn: I think that could be possible. I have seen figures given by the Department of Finance.

Senator Phillips: Mr. Chairman, I should like to ask a couple of questions on CIDA, and then move to the oil export tax. The wording of this vote—

The Chairman: Could you give us the reference page?

Senator Phillips: Vote 25b, page 32, External Affairs—Canadian International Development Agency. The wording of this, in addition to allowing the Governor in Council to make regulations—which I always oppose—permits us to send a student from one country to another not necessarily Canada. How many students do we send to other countries, and to what countries?

Hon. Mr. Drury: I am afraid I cannot provide that answer. I do not have that detail with me. We would have to seek it from the Department of External Affairs, but I can obtain it, and will see that it is provided for you.

Senator Phillips: Is it on our list?

Hon. Mr. Drury: I cannot answer that. I have not this knowledge, unfortunately.

Senator Phillips: Was any contribution made by CIDA last year to the World Council of Churches?

Hon. Mr. Drury: Contributions or grants? If a grant were made, it should appear here. It does not appear under the heading of "Grants and Contributions" which are listed in the main estimates. Supplementary estimates (A) did not add any names to this list, and the current supplementary estimates do not. The assumption is therefore that CIDA is not making grants or contributions to the World Council of Churches.

Senator Phillips: I realize that is the assumption, but I should like to have something a little more definite in view of the recent statement by the Senator of State for External Affairs before the committee in the other place. Perhaps you could provide me with further information on that.

Hon. Mr. Drury: Yes.

Senator Phillips: I turn now to Finance.

The Chairman: Honourable senator, perhaps we should be a little more specific on that. What was the reference to the statement of the Secretary of State for External Affairs?

Senator Phillips: It is the one in which he stated that grants would be made through CIDA to, I believe he used the term, Freedom Fighters in Africa, on a humanitarian basis.

The Chairman: Did he name the World Council of Churches?

Senator Phillips: He said he believed the grant would be made through the World Council of Churches.

The Chairman: You wish to know whether such a grant was authorized by the estimates or supplementaries in the year 1973-74—whether such a grant was actually made?

Senator Phillips: Yes.

The Chairman: Whether any grant was actually made to the World Council of Churches in this last fiscal year?

Senator Phillips: Yes.

I turn now to page 34, which refers to "Payments to the provinces as provided under the Oil Export Tax Act . . . $76 million."

The Chairman: On page 34? I have here Fiscal Transfer Payments Program.

Senator Phillips: $76 million.

The Chairman: Yes, I see that.

Senator Phillips: That is paid to the oil producing provinces, Alberta and Saskatchewan. They are the only two provinces benefiting from that.

Hon. Mr. Drury: To the best of my knowledge, at the present moment.

Senator Grosart: Alberta and Saskatchewan?

Hon. Mr. Drury: Just the two, Alberta and Saskatchewan.

Senator Grosart: In your opening statement, Mr. Minister, you said that these were payments to Alberta and Saskatchewan, but not to British Columbia.

Hon. Mr. Drury: In my opening statement in the other place?

Senator Grosart: The opening statement you made here.

Hon. Mr. Drury: I do not remember cutting out British Columbia explicitly.

Senator Phillips: That embarrasses both of us, Mr. Minister.

Senator Grosart: I am not criticizing you, Mr. Minister, for repeating yourself. I think you are very wise.

Senator Phillips: Dealing with Energy, Mines and Resources, on page 18, vote 11b, payments for the stabilization of prices of petroleum products, $240 million, Mr. Minister, how is that paid, and to whom is it paid?

Hon. Mr. Drury: It has not yet been paid. It is planned that it should be paid to importers of oil. This is really a question for the Minister of Energy, Mines and Resources, but in general it is a payment to cover the increased cost as a result of impositions by the host country since January 1, 1974, with no allowance made for additional costs by the importers—that is, their own costs—and a minor adjustment for increased costs of transportation.

The Chairman: If I might interject at this point: At page 4 in the material before honourable senators, under Energy, Mines and Resources, you will see that the proposed payment is $4.10 in respect of host country tax increases and 25 cents in respect of increased tanker bunker costs, which would be $4.35 out of the total international price increase of $4.70 per barrel.

Senator Phillips: It is paid, then, essentially, to the oil companies and not the provincial governments?

Hon. Mr. Drury: That is correct. The object is to compensate the oil companies for the freeze to which they agreed during these months.

Senator Phillips: And these payments amount to roughly $110 million per month and are paid to, I believe, something like seven, possibly eight, oil companies.

I am rather intrigued by the easy manner in which you got this by the NDP. They did not seem to have any objection in this case.

What form of audit is being carried out in this regard? For example, certain oil comes into east coast refineries from Alberta oil fields, as does oil imported from Venezuela, Kuwait and other Arab countries. When the Alberta oil leaves the east coast refinery the price is $4 per barrel, plus a trans-mountain charge of approximately 50 cents and approximately $2 for transportation via the Panama Canal.

How are we auditing the oil companies' statements to ensure that they are not receiving these payments in respect of oil originating in Alberta?

Hon. Mr. Drury: I do not know the specific auditing technique. The advice of outside, reputable auditors is being sought as to the appropriate means of verification of the purposes of the statute, namely, to limit this reimbursement to the additional cost incurred as a consequence of the host country charges, plus additional bunker fuel costs. It will be for the auditors to determine the technique for ensuring that there is compliance with the law.

Senator Phillips: I take it, then, that the so-called "Energy Conference" in January of this year really did not complete every detail in this regard?

Hon. Mr. Drury: That is a correct statement of fact.

Senator Grosart: An understatement.

Senator Phillips: I am in a good mood this morning.

The fact that two provinces are receiving $76 million, I presume, according to Mr. Turner's statement in the other place on January 3, that amount will be included in the equalization formula for payments to the other provinces?

Hon. Mr. Drury: I would have to take advice on that. It is a rather complex question as to whether or not the $76 million is to be equalized. The $76 million is a payment, as I understand it, to the two provinces, and normally one does not equalize payments by the federal government to provincial governments. Otherwise, the equalization payments themselves would have to be equalized, which seems to be a little "ring-around-the-rosy."

Senator Phillips: At page 9014 of the *House of Commons Dabates* Mr. Turner states:

> However, since the federal equalization formula resets receipts of provinces at an average national level the federal government would be faced with a rise in equalization commitments of over $800 million,—

Some of his more recent statements lead me to believe that there has been a change in attitude in this regard. Is this due to the fact that the money is being paid to the oil companies rather than the provincial governments?

Hon. Mr. Drury: I think I can safely say, without knowing the subject in too great detail, that what Mr. Turner is referring to there is revenues accruing to the oil-producing provincial governments, namely Alberta and Saskatchewan. You suggest that the $240 million compensation is being paid to the oil importers rather than to provincial governments. The provincial governments would be other than Alberta and Saskatchewan. If the $240 million were payable through them, while I guess the provincial governments have some concern over prices of petroleum products in their provinces, and perhaps could administer this in some way, in Prince Edward Island, for instance, there is no oil importer into Canada, so they would have nobody to negotiate with. The fact of the matter is, the organizations that have agreed to a freeze, that have agreed to finance the additional cost of the freeze, or the additional cost of the host country's increased demand, an the increased costs to get the oil here, are the oil importers, and it seems logical that reimbursement should be to them.

Senator Phillips: In Prince Edward Island the Public Utilities Commission establishes the retail price of gasoline. If the payment was made direct to the province, the Public Utilities Commission could establish the price, bearing in mind the payment the province would receive.

Hon. Mr. Drury: The Public Utilities Commission could make a judgment as to which oil company should get how much?

Senator Phillips: What the wholesaler would receive, yes.

Hon. Mr. Drury: What we are doing here is reimbursing the oil importers the cost of financing a continuing flow of oil at frozen prices. In a sense, the people who have made the agreement, who have frozen the prices, are the oil importers, and they are the ones who are out of pocket as a consequence of agreeing to a freeze. The provincial governments, the public utilities commissions and the retailers are not out of pocket as a consequence of this freeze.

Senator Phillips: I have heard a number of retailers complain that they were out of pocket, Mr. Minister.

The Chairman: This would be on the basis, I assume, that the oil companies are raising the wholesale price to the retailers while keeping the pump price the same.

Senator Phillips: That is right. However, I would like to point out to the committee that if this stabilization payment continues at the present rate of $110 million per month we are dealing with an annual expenditure in excess of $1¼ billion. I think this committee should take a very critical look at the undetermined audit procedure to be followed and ensure that there is an adequate audit carried out.

Senator Flynn: It is three months, I think.

Senator Phillips: If it is continued beyond the end of this month at the same rate.

The Chairman: We will give that consideration. I assume the auditing is done by Energy, Mines and Resources.

Hon. Mr. Drury: At the present time I would not like the record to show that the method of auditing has not been determined. I just do not know what has been decided is most appropriate. The obvious alternative is to engage the services of a large, reputable, knowledgeable, outside firm that has not amongst its clients any one of these oil importers.

The Chairman: Good luck!

Senator Flynn: It is not easy.

Hon. Mr. Drury: This, you will understand, perhaps limits your selection a bit.

Senator Phillips: And combine that with the political affiliations with one of the firms.

Hon. Mr. Drury: Another alternative is to try to organize a consortium of auditing firms to do this job. Another alternative is to avail ourselves of the services of the very competent Auditor General.

The Chairman: Who has the responsibility for seeing that this is done? I think that is what the senator wants to know.

Hon. Mr. Drury: At the present moment Energy, Mines and Resources, who have negotiated the freeze with the oil importers, and as a *quid pro quo* assured them that if the freeze were continued the government would seek from Parliament reimbursement or recompense of their additional costs on this basis. That has been done by Energy, Mines and Resources.

Senator Benidickson: From January 1 only.

Hon. Mr. Drury: From January 1 only.

The Chairman: But Energy, Mines and Resources would commission whatever auditing procedure is taken, not Treasury Board or Finance? In other words, who do we look to?

Hon. Mr. Drury: I am not sure of that, Mr. Chairman. The mechanics of payment, the writing of the cheques, will be the Department of Supply and Services. I notice Senator Phillips is eager to get them in on the act.

Senator Phillips: They already are.

Hon. Mr. Drury: Perhaps I should be more definitive on how we are going to do this auditing. I will undertake to provide a note to the committee within 24 hours.

The Chairman: Is that satisfactory, senator?

Senator Phillips: Yes.

Senator Manning: May I ask a supplementary question before we leave this? Is this subsidy paid on refined products imported as well as on crude? It refers here to crude oil and petroleum products, but does that include refined products coming in at a higher price?

Hon. Mr. Drury: It includes refined products as well, to the extent that they are covered by the freeze.

Senator Manning: Coming back to the problem we were just discussing, it would seem that in the area of refined products you would have a much more difficult situation to police than in the case of crude oil. For example, with crude coming from Venezuela, the tanker is loaded, you know the barrels and the tonnage delivered to the refinery in Canada. Most of the refined products would be coming in from the United States. I am wondering how the Canadian Government would know whether those refined products were from domestic crude, which is one price, compared with crude imported into the United States, which is a different price altogether. What are you going to subsidize at this end in the case of refined products, when you do not know whether it is domestic or imported crude from which those products came?

Hon. Mr. Drury: This is the kind of problem with which the accounting consultants whom Energy, Mines and Resources have retained are wrestling, and I cannot give you the answer.

Senator Manning: I would be very interested if they are able to find one.

The Chairman: You made a statement earlier, Mr. Minister, that the only people suffering, as a result of the increase in the international price and the freeze on the wellhead price, were the oil importers. By that I take it you mean the major oil retailers. You said that the retailer, the public and the wholesaler were not affected. Is that a fact?

Hon. Mr. Drury: It is neither a fact nor is it, I hope, what I said. What I said was that the only people suffering from the freeze were the oil importers—from the freeze, not from the increasing prices, but from the freeze.

The freeze agreed to by the oil importers means that they have to pay more, and they cannot recover the additional cost. Insofar as the wholesaler and the retailer are concerned, they are beneficiaries of the freeze rather than losers. The public is the beneficiary of the freeze rather than the loser.

The Chairman: What you have to be saying is that the wholesalers' and retailers' margins have not changed and the price to the public has not changed. I wonder if that could be a valid statement?

Hon. Mr. Drury: Mr. Chairman, I do not think I would say that, nor indeed is it a necessary corollary, I would suggest. The freeze on their selling price by the importers does not govern what the wholesalers or the retailers do. In some provinces the provincial governments have employed legislation and public utility organizations to control the retail prices to give effect to the freeze. In other provinces there has been no control over the pricing activities or policies of wholesalers or retailers. In the case of these agreements, the jurisdiction of the federal government, I would suggest, does not extend to control of retail prices. What we have tried to arrange is that the price to wholesalers, jobbers, and in some cases direct to retailers, will be frozen. Now, what they do with the product delivered at frozen prices, the federal government is not attempting to control.

The Chairman: But it is attempting to control the price at which the product is delivered to the wholesaler and the retailer, or to the wholesaler?

Hon. Mr. Drury: To the wholesaler or retailer. If it goes through the wholesaler, then we are not trying to dictate his pricing policy.

Senator Carter: You said the provinces do not lose any money on the price freeze. In the case of fuel oil, heating oil, some provinces have cut down their taxes, they have reduced their taxation on that oil. Don't they lose income to that extent?

Hon. Mr. Drury: I guess that is true, Mr. Chairman, but I would point out that they are losing less than if the price had gone up and they still cut their taxes. They would have lost more revenue than by cutting the taxes on a lower price.

Senator Carter: The effect of the question is this. You said that the only people who were really losing were the importers. I do not know much about the oil business, but my understanding is that these big oil importers, who own their own tankers and have their own sources of supply, will buy one billion gallons of oil by contract. If they buy one billion gallons of oil from Saudi Arabia or some national government over there, and if the going price is a certain figure—but that is not what they pay—I understand that they get a discount out of this. Is the discount taken into consideration in considering this?

The Chairman: Perhaps what Senator Carter is referring to is the tax reference price.

Senator Carter: Perhaps I am not explaining it too well. As I understand it, if Saudi Arabian oil is $10 or $12 a barrel as quoted, it does not follow that the importer pays that, that, say, Exxon pays that; they get a discount off that price. Perhaps the management is more interested in the oil, but that is my understanding, that the oil price quoted is not necessarily the price that these people pay.

Hon. Mr. Drury: I am not sure what Senator Carter is referring to when he talks of the oil price that is quoted. I am quite sure that those oil companies which deal with oil producing governments enjoy a variety—or suffer from a variety, as the case may be—of agreements of one sort or another at a whole variety of prices. We have not tried to examine into the actual pricing policies or the deals they may have with the governments. What we are interested in only is the change since January 1 in whatever arrangements there are, and to make compensation for this change. If they had it good, so to speak, before the host country raises the level of charges across the board, they will continue to have a slight preference; if they had it bad, to talk rather loosely, and the host government raises the charges across the board, they will continue to have it bad. We are compensating only for that across-the-board change imposed by the host government.

Senator Carter: I am only concerned, when you compensate Exxon or big companies like that, whether you are compensationg them at the price they actually paid or at the price that is quoted, a general quote.

The Chairman: Perhaps I can clarify that. I think what the senator is referring to is the posted price, which is also known as the reference price.

Senator Carter: Yes.

The Chairman: And the host country uses that price on which it establishes the tax that it imposes on the oil that is exported, so that that reference price might be $14 a barrel but the actual tax paid might be $8 a barrel. To that the company adds its cost of production, which is really quite low in comparative terms, then the cost of transportation, and that is the actual cost to the oil company. But it is a discount to the oil company. The reference price is the price at which the importing country bases its tax, which is added to the cost of production, to create the total cost.

Senator Carter: That may be the way the mechanism works. My only concern is that when we reimburse these importers we reimburse them on the basis of their actual cost and not on the basis of general quotations. What check have we on that?

Hon. Mr. Drury: The reference price, to which the chairman has referred, is publicly announced by the host government. The tax rate, and changes in the tax rate, or royalties, are also published and made public. The compensation which is being provided is in relation to those published public changes, not for any private advantage or disadvantage that either the oil producer, if it is a foreign corporation, or a transporter such as Exxon may have experienced in the interim.

Senator Manning: Mr. Chairman, the point has been raised that it is extremely important to other countries like Canada under this program. As the minister points out, if the subsidy was not based on the posted price, the difference between that and the frozen price in this country, why would the company seek a discount below the posted price when it could get the subsidy below the posted price when it could get the subsidy on the total price they paid anyway? What advantage is there to getting a discount?

Where this, in my judgment, poses a really serious problem to the importing nations is that we are now operating under a system of subsidies which discourages importers from really working to get the best discounted prices they can get—and they were getting them before this situation arose, because the posted price in the old days really did not mean too much. It was a sort of guide to what the general price of petroleum was. But a large importer rarely paid the posted price; he made a deal on discounted volume and the other factors that entered into it.

I am not suggesting it is the government's fault, but we have a situation now in which we have discouraged the importer. That is, we have taken away any incentive to the importer of trying to get any discounts which he could pass on to the consumer, because if he gets the discount now he just gets less subsidy, so why get it? I think it is a serious situation.

Hon. Mr. Drury: Mr. Chairman, under the terms of this particular arrangement the incentive is still there, because he is being compensated only for the additional levy on him taken by the host government.

With respect to the levy, there are two elements, I suppose, for Exxon producing oil in Venezuela. The costs are all paid by Exxon—exploration, drilling, transportation and the rest of it. The host government imposes a royalty, a tax, a levy, which they publish, and it is only for the change from January 1 in that levy that Imperial Oil gets compensated.

If in the meantime other costs of Imperial and Exxon have risen, they do not get compensation for that. One talks about wholesaling and so on, but there is no compensation for increase in costs or lessening of discounts between Exxon, the producer, and Imperial, the importer, except for the bunkerage costs. The reason for this is that the oil-producing countries tend rather to look at one another in determining what their posted tax reference price is going to be.

Venezuela rather tends, in looking at the North American market, to add on to its take the additional costs of transportation from the Middle East. Presumably, the Middle East, in looking at Venezuela, will have to lower its take by the additional cost of getting oil to North America.

These costs have changed quite substantially so that, compensating only for the additional take by the government of Venezuela, their margin in relation to the Middle East takes into account changing costs of transportation. So we have added this in really to equalize the two markets.

Senator Manning: This formula assumes that the levy made by these various host governments, as you call them, is the same in the case of all sales, and that there is no flexibility. I think that is open to question.

Hon. Mr. Drury: I do not know enough about it, to be quite frank, to give you any kind of assurance on that at all. This may well be true. Hopefully, the answer to these kinds of conundrum will be provided by the accountants.

Senator Benidickson: Mr. Chairman, this is a new item which provides $140 million for only three months. Presumably, the purpose is basically to make it advantageous to the ultimate consumer in what he pays for his petroleum products.

Senator Phillips pointed out that if we have to go on a similar policy into the next fiscal year, starting on April 1, it will amount to twelve times eighty per month at least, which is $960 million for the next fiscal year.

These are substantial sums, particularly if our objective is to see that the ultimate consumers in the territory east of the Ottawa River line do not have exorbitant rates to pay, particularly at the retail level for petroleum products.

Now, Mr. Chairman, just before the weekend I asked if we had available the evidence of the Minister of Energy, Mines and Resources given before the Standing Committee on Miscellaneous Estimates in the other place. This item of $250 million received some attention there as well as the item in the supplementary estimates (B) for payment to the two provinces of Alberta and Saskatchewan. Unfortunately, the minutes were not available at the time I asked for them, although I now have them. Issue No. 5 is the one I was most interested in, and as yet I have not been able to go into that in any detail, although I have looked through issues Nos. 3 and 4.

I wonder if our staff is aware whether they did in the other place examine on March 19 this question of consumer prices at the retail level after the freeze, when it was agreed to originally, and whether it was examined as to why compensation had to start at the import level on January 1, 1974. If not, I think, in view of the tremendous implications of the continuing expenditure of this nature, and for the design that I have assumed is there, this committee should perhaps examine people from the Department of Energy, Mines and Resources to see to what extent, under the voluntary or agreed-upon freeze, there were advantages to the consumer at the retail level and so on.

Hon. Mr. Drury: I take it that you are directing your remarks to the chairman, senator, and not to me.

The Chairman: We will certainly give that every consideration, senator.

Senator Flynn: You mean before we make a report? Is that your suggestion?

Senator Benidickson: That, of course is something that we might examine before making our report. I will be called upon in due course—my name is with the chairman—for some more general questions, when we have the infrequent opportunity to have with us the President of the Treasury Board; but those questions and answers, I do think, would necessarily delay the presentation at this moment of a report to the house on the supplementary estimates.

The Chairman: Thank you, senator.

Senator Flynn: I was just wondering about this. What difference would it make, Mr. Minister, if the Senate were to pass the supply bill, which will be covered in these estimates, in this next week, after March 31?

Hon. Mr. Drury: What difference would it make if they were to pass or if they were not to pass?

Senator Flynn: If they were to pass. Of course, if we did not pass it, we know what the result would be; but if we pass it after March 31, let us say on April 2.—

Hon. Mr. Drury: Well, a number of obligations which the government has assumed will be in arrears of payment; the government will be in default.

Senator Flynn: Two days?

Hon. Mr. Drury: Well, two days, one day—for some people, just two days can be very consequential. For those who are sort of at the margin, and trying to do tight financial planning, it will tend, perhaps, to reduce the confidence of the public in Parliament as having any sense of businesslike efficiency at all.

Senator Flynn: But some payments are late, actually; some must be late.They must represent undertakings by the department, and so on and so forth, and people must have been waiting for some time to receive payments.

Hon. Mr. Drury: My concern is to see that any undertaking the government gives gets honoured on time, and I am not very inclined to treat lightly this sort of thing and say, you know, that it is somebody else's fault, and that I do not care; but Senator Phillips, in looking at this, and in making projections, assumes that the price freeze at domestic levels is going to continue after April 1. The present arrangement is that the price freeze ends April 1, and the oil companies, the importers, the refiners, the wholesalers and jobbers, will be free then to do what they want.

At this moment, in another arena, if I can call it this, the post-April 1 arrangements are under discussion, and depending on what comes out of them, the answer to Senator Phillips will be provided; and what is being done in relation to this $240 million, or should be done, really, to try and project this, is to examine the discussions now going on between the provincial premiers and the Prime Minister.

Senator Phillips: On the other hand, Mr. Drury, the happenings in the so-called other arena could make the situation far worse than appears on the present assumption. The amount of money involved could be much greater.

Hon. Mr. Drury: It could, I agree with that. If there were general agreement to continue the present domestic price freeze at the $4 level for a year, then rather than this $240 million covering a quarter of a year, the annual rate is likely to be higher because, as far as one can see, there is likely to be some upward movement in the cost of imported oil above current levels—perhaps not too much, but still some upward movement—and this represents the cost to the oil importer. When reference was made to oil brought from the British Columbia coast around to the east, that is not considered an import. That is domestic oil, and whether it arrives by tanker, pipeline or tanker truck, it is still domestic oil, so that would not be covered under the terms of this compensation.

Senator Phillips: Perhaps I am interpreting your remarks unfairly, Mr. Minister, but I get the uneasy feeling that your are telling us that the idea of gasoline being fixed at one level across Canada is being abandoned.

Hon. Mr. Drury: I am not, Mr. Chairman. I do think that the assumption made by Senator Phillips, that it is going to continue in this form at this rate, for a year, implies, if it does not explicitly state, that there is going to be a differential for a further year; and I do not think that is going to happen, so I am, in a sense, taking issue with your assumption. That is one of the reasons.

Senator Grosart: On a point of procedure, Mr. Chairman, I know that at least three of us here have a previous commitment at 12 o'clock. Obviously, we are not going to get through this questioning, and we do have the problem of the deadline. The 31st is Sunday, so presumably we must report the supplementary estimates in the next day or so. I wonder if we cannot work out some arrangement by which we might adjourn now and continue the questioning perhaps next week. In the meantime, I think the committee will agree to make its report to the Senate, and the Senate can then proceed with the supply bill when it comes. I can understand the problem that might arise if we delayed that. I leave this problem with you because I have to leave now, and I think Senator Phillips—

The Chairman: It is a problem that can be discussed with the committee now.

Senator Grosart: Senator Flynn has already left.

The Chairman: Is that agreeable?

Senator Manning: I do not see why we should not go ahead with these supplementary estimates, because I think we all recognize that in view of the conference being held today, whether there is a complete removal of the freeze or whatever happens, it is going to be a different ball game from what is behind these supplementary estimates. I do not think we should mix the two things up. Let us look at the situation after these discussions end. Whatever the cirumstances are, I do not think that is any reason for holding up the supplementary estimates.

Senator Benidickson: I would like to put something on the record.

The Chairman: I do not think that we will close the meeting. It is just a matter of dealing with this one question as to whether or not you agree that the chairman report on the supplementaries.

Senator Benidickson: It is just a matter of this one question. We are being asked here to vote $240 million for three months. Normally, I would like some evidence as to the advantage that has accrued to the consumer, the ultimate buyer of these products, from this large amount of money that has been spent under the Constitution because, seemingly, the best way to handle the situation is to pay the importer. I ask it because we are now at the end of that three-month period.

I should also like to know if there have been substantial increases, or any increases at all for that matter, at the retail level in the cost to the consumer of petroleum products in the eastern part of Canada for the period that has practically expired and for which this $240 million is being asked.

Senator Grosart: Mr. Chairman, I do not think my suggestion conflicts with this at all. My understanding is that before the Senate can deal with the appropriation bill, it must have a report from this committee. That does not mean that it has to have a report approving all these items; it means simply a report saying that the committee has examined supplementary estimates (B) and that it will make a subsequent report. So my suggestion is that, while I know there are probably many senators who have questions to ask—I know that I have some—we adjourn now and meet again at the minsiter's convenience. Then we could take up the suggestion of Senator Benidickson that we ask the Minister of Industry, Trade and Commerce to appear before us. I think that will involve a long session, but I cannot see anything wrong with that. In fact, I think it is an excellent idea to take, if necessary, two or three sessions to look at these supplementaries, assuming that we can meet the convenience of the ministers.

Senator Benidickson: That is fine with me, Mr. Chairman, but I had not quite finished what I wanted to put on the record.

I should like a statement from the chairman or from the President of the Treasury Board that either or both see nothing wrong with the proposal.

The Chairman: Perhaps I could ask the Deputy Leader whether it is sufficient, under the circumstances, for the committee to make an interim report on supplementary estimates (B). Would that suffice for the resolution before us?

Senator Langlois: I would think so.

The Chairman: And then we could make a final report at a later stage.

Senator Langlois: Yes.

The Chairman: Is that your wish, honourable senators? Is it your wish that if either the President of the Treasury Board or the Minister of Energy, Mines and Resources is available, that we should meet tomorrow morning at 10 o'clock?

Senator Grosart: I believe there are three or four other committee meetings tomorrow. I know there is at least one at 10 o'clock. We could leave it to next week, to a time that would suit the convenience of the ministers.

Hon. Mr. Drury: May I point out that next week is beyond the end of the month?

Senator Grosart: But my suggestion is that we do make the necessary report—that is, the report that is necessary before the Senate can consider the appropriation bill. In other words, we would deal with that technicality, and then come back and continue our examination.

Hon. Mr. Drury: I take it, Mr. Chairman, that that would mean that the Senate would be able to deal with appropriation bill by the end of the week.

Senator Grosart: That is the whole point of my suggestion.

The Chairman: The suggestion that has been concurred in by the Deputy Leader is that the supply bill would come down to us in the ordinary course of events. Since we would have made an interim report he feels that that is sufficient to allow the Senate to deal with the supply bill. Then we can go on and make a final report. It will be an interesting exercise to see if it works.

Senator Phillips: By the way, where is the supply bill in the other place?

The Chairman: I understand it will come to us today.

Hon. Mr. Drury: The supply bill passed last night at 10:37 p.m. precisely.

Senator Benidickson: I think Senator Grosart was asking that we adjourn, and that he was also asking that we make this interim report, not to meet again prior to the presentation to the house of the interim report.

Senator Grosart: That is right.

Senator Benidickson: Therefore I should like to put the following on the record. When we resume sittings I would like to ask the Treasury Board some questions of a general nature pertaining to expenditures and the size of the payroll, the criticisms that we are all aware of about those expenditures and the size of the Public Service, et cetera. This may or may not be justified, but we, I think, have a responsibility for inquiring into it in a broad and quick way. I would also indicate that if we had continued today and if I had been called upon for my turn to do some examination, there were some questions I wanted to ask, although I knew the answers would not be forthcoming immediately. Perhaps the Treasury Board would file with the committee as expeditiously as possible an examination of the Canadian Government take, at all levels, in relationship to other comparable countries.

I happen to have, and I should give warning that this is one item I shall be depending on for my inquiries, an article from the *Financial Times* of Canada, dated January 28, 1974, which is entitled, "Ottawa's Bite not the Worst". In that article they indicate the total tax revenue, as they have calculated it, in Denmark, Sweden, the United Kingdom, France, Germany, Canada, the United States and Japan. We all know that services rendered by governments in those countries are not always comparable, and perhaps some examination has been given by members of the Treasury Board and its President to conspicuous differences in services rendered in those countries. For example, I know that in the United States they do not have the health services provided in this country. In this article which I have mentioned it shows that five of the countries I have named have a total government expenditure exceeding that of Canada as a percentage of the Gross National Product. They calculate also that the United States and Japan have a lower percentage of the Gross National Product devoted to government expenditure.

Then I thought that Treasury Board might be able to provide this committee with some information on the growth of the Public Service. In this connection, I have here an editorial from the Winnipeg *Tribune* of March 15, 1974, referring to certain calculations made by the Canadian Tax Foundation. I should like to know whether those calculations are valid or not, in the opinion of the staff of Treasury Board, and if they have any comments relating to them. Then, with respect to personnel, I think all of us have seen in many papers of recent date—

Senator Grosart: I wonder if I could interrupt for a moment and ask if the motion has been put in relation to the suggestion I made. We are seven minutes late already, and if this were done, Senator Phillips and I would be able to leave because we have another engagement.

The Chairman: As I understand it, the motion is that the committee, for the purpose of passing the supply bill, would issue an interim report to be followed by further hearings; that a final report would be issued at a later stage; and that the composition of the interim report be left to the discretion of the chairman. Is that agreed, honourable senators?

Senator Grosart: And that our meetings will continue.

Senator Benidickson: That is not a motion to adjourn?

The Chairman: No, that is not a motion to adjourn. We will be coming back to you.

Senator Grosart: I beg your pardon for interrupting you, Senator Benidickson, but I do have to leave.

The Chairman: Is it agreed, honourable senators?

Hon. Senators: Agreed.

Senator Benidickson: If we continue these inquiries this session, I shall be interested in and shall have questions on the growth of the Public Service, which I mentioned a few moments ago. A headline I have before me from the Toronto *Star* dated February 14, 1974 is indicative of the type of things, again, which many of us have been reading in recent weeks. The headline is "57,000 more civil servants hired since the Prime Minister 'froze' growth in 1969". I am sure that the Treasury Board could make some explanation of the reasons for that growth, et cetera.

The other point that I think this committee would find it worthwhile to examine—and there was some examination, I note, last week in the other place—is the increase in the number of public servants drawing salaries in the upper brackets. We should perhaps discuss that. It is referred to in the second appearance of the President of the Treasury Board before the Miscellaneous Estimates Committee in the other place last week. Again, because of the delay in printing, I have not been able to examine it in adequate detail.

Those, I think, Mr. Chairman, are the matters that I intend to raise if we have a further meeting to study the supplementary estimates before passing supplementary estimates (B).

The Chairman: It would be my intention, in light of the motion that was before us and the points raised by you and other senators, to have two meetings next week, on Wednesday and Thursday, if the ministers are available—they being the President of the Treasury Board and the Minister of Energy, Mines and Resources. We will see where that takes us.

In the meantime, the important thing now is to authorize the supply bill and to submit our report. Before we adjourn, however, the questioning has largely been confined today to members of the Conservative Party. I wonder whether anyone has any pregnant questions they wish to ask at this stage, or whether you are prepared to allow them to go over to the next meeting?

Senator Carter: I have one brief question, but it is not very pregnant. Perhaps Mr. Drury has the information now. We were discussing salaries, and at the commencement of the hearing you stated this was an insignificant part of the statutory items. How significant a part is it of the non-statutory items?

Hon. Mr. Drury: A summary table was included at the beginning of the main estimates for 1973-1974, and a similar one is included for 1974-1975, of which the committee has not yet been seized, but I believe you have copies. In table 6, page 1-62, the total voted payments for wages and salaries, all departments and agencies, for 1973-1974 was $3,583 million.

Senator Carter: Roughly 30 per cent.

Hon. Mr. Drury: That includes the military, and it is in excess of one third of the total to be voted. That, to use your terminology, I would describe as significant.

The Chairman: Are there further questions, honourable senators?

Senator Benidickson: In outlining some of my more general interests beyond the large vote for the Department of Energy, Mines and Resources, which I raised in the Senate this session, I omitted the question of auditing. I would hope that the officials of the Treasury Board would be able to explain for us some of the complications in figures presented, both in your documents such as the estimates and as referred to in budget statements as total expenditures. I suppose we will be examining the expenditures in a broad way for 1974-1975.

The Chairman: I suggest we leave that for our discussion of the general estimates, Senator Benidickson.

Senator Benidickson: We are examining, of course, today simply supplementary estimates (B).

The Chairman: That is correct, and we will continue to do so next week.

Senator Benidickson: When considering those, as the President of the Treasury Board said in his explanatory statement this morning, we have to add them to the total expenditures for 1973-1974. I know that those figures, which indicated a total expenditure to be voted as estimates for 1973-74 of approximately $21,400 million—

Hon. Mr. Drury: No; approximately half of that is to be voted and half is statutory.

Senator Benidickson: I should say the total, yes. A total of $21,400 million, including what was contained in the main estimates for 1973-1974 under supplementary estimates (A) and (B).

Hon. Mr. Drury: That is correct, Mr. Chairman.

Senator Benidickson: Which totalled approximately $21,400 million.

The Chairman: By way of clarification, that figure also includes loans, investments and advances.

Hon. Mr. Drury: That is correct, both budgetary and non-budgetary.

Senator Benidickson: Yes; I simply wished to state that in the book of estimates recently provided to us for 1974-1975 the calculation for the total for 1973 to 1974 on page 1-16 is $20,080 million. The figures, of course, do not quite reconcile, but I assume they have not taken account of some of the items in supplementary estimates (B) and were a calculation as forecast and indicated to December 31, 1973.

Hon. Mr. Drury: That is correct. One notable omission from the forecast was any sum in relation to this subject we have been discussing, the $240 million for oil.

Senator Benidickson: That is the big item, yes.

Hon. Mr. Drury: It is the biggest.

The Chairman: Are there any further questions? I might inform the committee that our report on Information Canada is now in printing. We expect to have the galleys, I believe, today or tomorrow, so it is coming along quite well.

Senator Langlois: Mr. Chairman, I would like to know when you think you will consider the interim supply bill.

The Chairman: We will not be considering it. Do you mean the supply?

Senator Langlois: The interim supply bill for April and May, the first three months of the new fiscal year.

Senator Benidickson: Interim supply for the next fiscal year.

Hon. Mr. Drury: Last night, Mr. Chairman, two appropriation acts were passed.

Senator Langlois: Appropriation Act No. 2, in that case.

Hon. Mr. Drury: One covering the supplementary estimates, to make good on our obligations during the current fiscal year, and another appropriation act covering interim supply, namely the first three months of the next fiscal year.

The Chairman: The only point I wanted to make is that the committee does not consider interim supply. It considers the estimates and not supply bills, unless they are specifically referred to it by the Senate, which has not been the practice. When an interim supply bill comes down, presumably the administration will handle it. Unless it is referred to the committee, I doubt whether we would handle it. Are there any further questions? If not, we shall likely meet next Wednesday and Thursday.

Hon. Mr. Drury: I might observe that it may be difficult for me to be here next Thursday morning—and, given the discussions taking place today, difficult also for Mr. Macdonald. Our regular weekly Cabinet meeting is scheduled to be held next Thursday, and I would suspect that oil for the future is likely to be on the Cabinet's agenda for Thursday next. I know that I would have to be there. There is only the caucus meeting on Wednesday morning, but on Thursday morning I shall have to plead other business. I suspect that Mr. Macdonald will feel that he also should be at the Cabinet meeting.

Senator Carter: Are we not ahead of ourselves in assuming that we shall need two further meetings? Perhaps we could wind it up in one meeting.

The Chairman: Except that the committee wants to hear from both the President of the Treasury Board and the Minister of Energy, Mines and Resources. We might see whether we can deal with outstanding matters on Wednesday morning and afternoon.

Senator Langlois: After the Senate rises?

The Chairman: Yes.

Senator Manning: Let us see how we get along on Wednesday morning.

Senator Benidickson: Outside of the problem concerning the $240 million set aside for the energy program, my questions would be normally dealt with by Mr. Macdonald, subject to some comment or re-examination from the President of the Treasury Board after we had observed any written data that he might be prepared to submit. I would not expect Mr. Drury to be present for the initial evidence on those broad subjects.

Hon. Mr. Drury: Should we try to start with Mr. Macdonald?

The Chairman: I am afraid there are some questions remaining in this area which we would like to ask you.

Hon. Mr. Drury: Might I suggest that we start with Mr. Macdonald, and then I could come back, or vice versa?

The Chairman: It might be better to start with you on Wednesday, and, if we have to continue, we could go on with Mr. Macdonald.

On behalf of the committee, I thank you very much, Mr. Drury, and also your officials.

The committee adjourned.

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Senator Desruisseaux: Interim supply for the next fiscal year.

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The Chairman: Except that the committee wants to hear from both the President of the Treasury Board and the Minister of Energy, Mines and Resources. We might see whether we can deal with outstanding matters on Wednesday morning and afternoon.

Senator Langlois: After the Senate rises.

The Chairman: Yes.

Senator Manning: Let us see how we get along on Wednesday morning.

Senator Desruisseaux: Outside of the present discussion, the $240 million set aside for the energy program, our questions would be more fully dealt with by Mr. Macdonald, subject to some of the answers to be given by the President of the Treasury Board after we had observed any written data that he might be prepared to submit. I would not expect Mr. Drury to be present for the initial evidence on those points.

Hon. Mr. Drury: Should we start with Mr. Macdonald?

The Chairman: I am afraid there are some questions remaining in this area which we would need to ask you.

Hon. Mr. Drury: I might suggest that we start with Mr. Macdonald, and then I could come back if necessary.

The Chairman: It might be better to start with you on Wednesday, and, if we have to continue, we could go on with Mr. Macdonald.

On behalf of the committee, I thank you very much, Mr. Drury, and also your officials.

The committee adjourned.

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SECOND SESSION—TWENTY-NINTH PARLIAMENT

1974

THE SENATE OF CANADA

PROCEEDINGS
OF THE
STANDING SENATE COMMITTEE ON

NATIONAL FINANCE

The Honourable DOUGLAS D. EVERETT, *Chairman*

The Honourable HERBERT O. SPARROW, *Deputy Chairman*

Issue No. 2

WEDNESDAY, APRIL 3, 1974

**Second Proceedings on the Supplementary Estimates (B)
laid before Parliament for the fiscal year
ending March 31, 1974**

(Witnesses:—See Minutes of Proceedings)

27400—1

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(Witnesses:—See Minutes of Proceedings)

27406—1

STANDING SENATE COMMITTEE
ON NATIONAL FINANCE

The Honourable D. D. Everett, *Chairman;*
The Honourable Herbert O. Sparrow, *Deputy Chairman.*

The Honourable Senators:

Benidickson, W. M.	Langlois, L.
Carter, C. W.	Manning, Ernest C.
Côté, Jean-Pierre	*Martin, Paul
Croll, David A.	Neiman, Joan
Desruisseaux, P.	Perrault, Raymond
Everett, Douglas D.	Phillips, O. H.
*Flynn, Jacques	Prowse, J. Harper
Giguère, Louis de G.	Robichaud, L. J.
Graham, B. Alasdair	Sparrow, Herbert O.
Grosart, Allister	Welch, Frank C.
Hicks, Henry D.	Yuzyk, P.

20 MEMBERS

(Quorum 5)

* *Ex officio member*

Order of Reference

Extract from the Minutes of Proceedings of Tuesday, March 19th, 1974:

"With leave of the Senate,

The Honourable Senator Langlois moved, seconded by the Honourable Senator Buckwold:

That the Standing Committee on National Finance be authorized to examine and report upon the expenditures set out in the Supplementary Estimates (B) laid before Parliament for the fiscal year ending the 31st March, 1974, tabled in the Senate on Tuesday, 12th March, 1974.

The question being put on the motion, it was—
Resolved in the affirmative."

Robert Fortier,
Clerk of the Senate.

Minutes of Proceedings

Wednesday, April 3, 1974.
(2)

Pursuant to adjournment and notice the Standing Senate Committee on National Finance met this day at 9.30 a.m. to further consider the supplementary Estimates (B) laid before Parliamentary for the fiscal year ending March 31, 1974.

Present: The Honourable Senators Sparrow, *Deputy Chairman*; Benidickson, Carter, Croll, Desruisseaux, Grosart, Langlois, Manning, Neiman, Perrault, Robichaud and Yuzyk. (12)

Present but not of the Committee: Bélisle and Laing. (2)

In attendance: Mr. J. H. M. Cocks, Director of Research and Administration.

Witnesses: From the Treasury Board—The Honourable C. M. Drury, President; Mr. B. A. MacDonald, Assistant Secretary, program Branch.

The Treasury Board undertook to furnish answers to questions asked by Honourable Senators to this Committee at the earliest possible moment.

At 11.00 a.m. the Committee adjourned to the call of the Chairman.

ATTEST:

Gérard Lemire,
Clerk of the Committee.

Report of the Committee

Ottawa, Wednesday, April 3, 1974

The Standing Senate Committee on National Finance, to which was referred the Supplementary Estimates (B) laid before Parliament for the fiscal year ending March 31, 1974, met this day at 9.30 a.m.

Senator Herbert O. Sparrow (*Deputy Chairman*) in the Chair.

The Deputy Chairman: Honourable senators, we are pleased to have Mr. Drury with us again this morning to continue our examination of supplementary estimates (B). Mr. MacDonald is also with us again.

Unfortunately, I was not able to be here last week and Senator Everett is unable to be with us this morning, so, honourable senators, with your permission I shall chair the proceedings.

Evidence

Ottawa, Wednesday, April 3, 1974

We have a written reply to one of the questions asked last week, and I am sure that that has been distributed to all honourable senators. Some of the other questions were not answered at that time and I think that Mr. Drury has the answers to those questions now, if honourable senators wish to ask them again. So, without further ado, I open the meeting for questions.

Senator Carter: Mr. Chairman, I have another meeting at 11 o'clock and at that time I shall have to ask to be excused. However, I should like to follow up the questioning I started at the last meeting. When Mr. Drury was replying about the $240 million in payments to be paid out, I understood him to say that it was to offset losses by the oil companies. I raised the question as to the basis on which this was going to be paid out and how it was going to be audited. I think I pointed out at the time that the posted price for oil is not necessarily the price that the oil companies pay, and my question was therefore: On what basis was the compensation to the oil companies to be calculated? Was it to be calculated on the price actually paid, the difference between the frozen price and the posted price, or between the frozen price and the price the companies actually paid; and what allowance would be made for profit for the oil companies, and how it was going to be controlled and audited? Now I have read Mr. Drury's answer which touched on this, but I do not think it answered the question as posed.

Hon. C. M. Drury, President of the Treasury Board: Mr. Chairman, I am, perhaps, not the best witness on this particular arrangement. The Minister of Energy, Mines and Resources would be able to provide you with much more by way of detail. But generally, as I understand the situation, the oil companies exploit and actually produce oil in a number of oil-producing countries, including Canada. On all the oil taken out of the ground they pay a tax, a royalty or a levy—it is called a variety of things in different countries.

The amount of these levies, taxes or royalties is published. It has changed since January 1, and it is only in respect of this change that compensation is to be allowed. When referring to the price at which the transactions between the producing affiliate, the transporting or merchandising affiliate and the refining affiliate, or in respect of different companies, increases or decreases in the companies' costs of extraction are not taken into account at all in this reimbursement scheme. The compensation is made only for the increase in levy by the host government plus, as I mentioned, an increase in bunker fuel costs for their cost of transportation.

Senator Carter: Do you mean to say that this $240 million will be devoted to paying the increases in royalties to the governments of the countries in which the oil is produced?

Hon. Mr. Drury: Plus bunkerage, yes.

Senator Carter: And it has nothing to do with the posted price or the discount price? Take, for instance, a company such as Exxon.

Hon. Mr. Drury: The various prices mentioned—the posted price, the tax reference price, the discount price and the actual price—do not enter into the equation at all. The compensation is for the change in host government levies from December 31 to January 1 and subsequently.

Senator Carter: I am thinking of Exxon. We import much of our oil from the Caribbean, where Exxon owns the wellhead, the tankers and everything, from the time the oil comes out of the ground until it is off-loaded in Canada. They control all these costs. My understanding was that the difference in the increase in the price of the oil was included, rather than just the extra royalties and assessments paid to host governments. Apparently, however, this is all that we intend to recognize, just the difference in the increase in oil.

Hon. Mr. Drury: The increase in levies by the host government, yes, and transportation bunkerage differential. The reason for including the bunkerage differential is that there is competition as between producing countries, and in relation to the North American market the host governments endeavour to achieve some degree of equality of laid-down price.

Senator Carter: Does it follow from that that the only difference between the price of oil east of the Ottawa Valley and that west of the Ottawa Valley is made up in levies? Is that the only difference in the costs, just the difference in levies by the host governments?

Hon. Mr. Drury: There is a variety of causes. It is partly levied by host governments, partly extraction costs, including investments in future oil supplies and partly transportation costs. The size of the levy is public knowledge in every country. The extraction costs vary from country to country and, indeed, from operation to operation and over a period of time. Depending somewhat on new discoveries, the cost of transportation can vary as the modes and seasons change. Those are the variables, but included in the price is some purely arbitrary figure related to the state of demand in the market.

The Arabian countries, whose costs have not changed at all, have raised their price from some very low figure to a considerably higher one. This is based not on changed costs of production, but their arbitrary notion of the value of the oil, which they relate to market demand.

Senator Grosart: Mr. Chairman, my questions will all relate to the $1 items and through you I will ask the minister: Would it not be possible in the schedule A items, that is the amendments to existing legislation, to word them to say, "Act so-and-so is amended as follows"? I wonder if there is any objection to that, which would make it so much clearer to lawyers, compilers of law reports, and so on, that these are amendments? Why could we not say when there is an amendment enacted by this book that "Act so-and-so is amended as follows"?

Mr. B. A. MacDonald, Assistant Secretary, Program Branch, Treasury Board Secretariat: Mr. Chairman, I should point out that none of this set of $1 items amends legislation, other than appropriation acts.

Senator Grosart: That is right, but that is not always the case.

Mr. MacDonald: The Revised Statutes, when they are issued from time to time, reflect amendments to continuing statutes which are effected by means of $1 items in estimates. All that has occurred recently in estimates in relation to the amendment of other acts has been simple changes of financial limits, rather than any matters of substance. For instance, the amount of the loans which may be made to crown corporations might be increased and other changes of a similar nature have been effected. They are, with my limited knowledge of the law, matters involving no complexity.

Senator Grosart: But, surely, the changes of the financial consequences of an act are about as substantive as could be?

Mr. MacDonald: They represent relationships of the government with its own agencies. Ordinarily they represent matters which concern only the legal staff of governments.

Senator Grosart: Yes, but if they are amendments—and we have now got to the point where you are prepared to describe them as such—to existing legislation, why not say so?

Hon. Mr. Drury: If I may intervene, Mr. Chairman: The language of the schedules is normal prose, "to make provision for limits of export credits to be $3 billion", just like that, instead of saying, "to amend appropriation act so-and-so of such-and-such a year, to change the $1.5 billion to $3 billion".

Senator Grosart: I leave it as a suggestion. However, vote L16b on page 42 under Industry, Trade and Commerce, it seems to me, would be much clearer if it were stated that vote L80, Appropriation Act No. 4, 1968, be amended to extend the purposes. That is all I am suggesting. I will say no more on it; it is just a suggestion which might be taken into consideration.

Senator Laing: I ask the minister if it is to be the policy of Canada to ensure that Canadian oil is for Canadians. We represent ourselves as being 98 per cent self-sufficient within the country. A policy of self-sufficiency has been announced, which would mean that all Canadian oil would be kept for Canadian consumption. That means a gradual, but as rapid decline as we can effect in exports to the United States. At one time 1.2 million barrels per day were shipped, which has already been reduced to 900,000 barrels per day. What will be the position in the case of the Trans Mountain Oil Pipeline Company, which operates a 632-mile line from Edmonton to Vancouver, with a spur line into the United States which is delivering the biggest single portion of the oil export to the United States, some 272,000 barrels a day?

The consumption in Vancouver at refineries is only 120,000 barrels a day. If we are going to eliminate exports, we shall dry up that line. What forward thinking is being done in respect of compensation for that? The worst feature is that this is the only source of oil for Vancouver consumption, namely, via the Trans Mountain Oil Pipeline.

If their throughput is reduced to 120,000 barrels a day, they would have to triple their charges, which would have the effect of enormously raising our costs in Vancouver.

This is one of the most efficient corporations in Canada. They have an original investment of $162 million. To meet the oil crisis they stepped up immediately their ability to deliver, and they are delivering right now 150,000 barrels a day to Quebec by tanker via the Panama Canal. It is an extremely efficient corporation, but their outlook is dim.

In the corporation's annual report the president points out that they do not know where they are going and neither do the investors. The shares have dropped from $24 to $14.

Yet today the corporation is making more money than ever before. Their dividend is in the 9 to 10 per cent range.

What is the future for such companies? What are you going to do about this sort of thing? This results from a direct act of government, and unless compensation or some arrangement is made with firms like this, we shall have a terribly disquieting situation in the country.

It is stated government policy that we are going to eliminate oil exports entirely. The corporation is shipping 272,000 barrels a day to Ferndale, Washington, 120,000 barrels to Vancouver refineries and there is a direct pipeline to the airport, which consumes 6,000 barrels a day of jet fuel. This is an extremely competent company and I would not want to see it affected, because in the long run it would affect the price in Vancouver.

Hon. Mr. Drury: I have not the answer which Senator Laing is seeking. Whatever change is made will be evolutionary rather than revolutionary.

Senator Laing: You mean the company will slowly die?

Hon. Mr. Drury: I am not sure that I would phrase it in those terms. The company will gradually move from what it is doing now—namely, delivering in large measure across the United States border—into something else. Frankly, I do not know what the something else will be. Continually in this country transportation mechanisms are growing in use and others are declining. The task of the government is to see that a change is made, in terms of economic efficiency, as practically and realistically as possible.

Senator Laing: Surely the whole intent of building the line from Toronto to Montreal was to pick up that 270,000 barrels and put it into Montreal?

Hon. Mr. Drury: That is correct.

Senator Laing: There is a total of 410,000 barrels a day on that line.

Hon. Mr. Drury: I would agree that there appears, under present arrangements, to be less throughput.

Senator Laing: What are we going to pay in Vancouver if a throughput of only 120,000 barrels per day goes through that line, with an investment of $162 million?

Hon. Mr. Drury: I cannot answer that.

Senator Laing: I think these are things that we should be looking at.

Hon. Mr. Drury: Agreed.

Senator Laing: I am making a representation. I think we should look ahead. This is a very touchy situation.

Hon. Mr. Drury: Perhaps I might remark, Mr. Chairman, that the market appears to have made its own judgment on future prospects.

Senator Laing: But this is an act of government. How can you say that we should brush this off without accepting any responsibility, when we are doing certain things for the benefit of the railways—where we give money to any branch line that does not pay?

Hon. Mr. Drury: I am not saying that there should be or will be a brush-off.

Senator Laing: I am making a plea for a study of what is equitable treatment.

Senator Grosart: I would draw attention to page 42, Industry, Trade and Commerce, vote L16b. My questions will be short and will, I believe, be subject to short answers.

Is it the intent here to deal only with manufacturers who now hold insured loans? In other words, this vote will not add additional expense, other than to those who presently have insured loans? It comes under the General Adjustment Assistance Program.

Mr. MacDonald: This is really in respect of new loans. The difficulty here is that there was a period of time in history when the General Adjustment Assistance Board authorized loans, but there were delays in actually obtaining the money. This is merely to bridge that situation.

Senator Grosart: But it applies only to those who are qualified now?

Mr. MacDonald: No.

Senator Grosart: It says, "to certain manufacturers or other persons who hold insured loans".

Mr. MacDonald: I think it has reference to the fact that a decision has been made—Are we reading the same thing, senator?

Senator Grosart: I am reading from the explanation.

Mr. MacDonald: I think the actual vote wording is clearer than the explanation itself.

Senator Grosart: The explanation says that it is limited, in effect "to certain manufacturers ... who hold insured loans under the act".

Mr. MacDonald: Perhaps I could give a more extensive explanation which I have, that the General Adjustment Assistance Program can assist Canadian manufacturers to improve their international competitive position by insuring loans by private lenders. Most beneficiaries are relatively small enterprises with a total net worth of less than $1 million, and the interim financing will be available to manufacturers who have secured a firm offer of a guaranteed loan from a private lender.

Hon. Mr. Drury: I think the answer to your question, senator, is: Yes. This is bridge financing for people who are going to get insured loans.

Senator Grosart: I move now to page 3, vote 5b, under Labour, where in the explanation—Incidentally, I suggested once before that it would be helpful if you numbered the pages, because there are some 18 pages.

Mr. MacDonald: The same thing had occurred to me.

Senator Grosart: I have numbered mine, and for me it is page 3. It reads: Authority is requested to reimburse the Expositions Revolving Fund." Has it gone broke or has it been broke before? This is under Information Canada.

Mr. MacDonald: The business of the Expositions Revolving Fund has been insufficient during this period to meet its cost of operation. This is to make up the deficiency. Some of these funds are allowed to carry over their losses or profits, or a proportion thereof, from year to year, but this fund is required to be in balance from year to year. This particular year has not been a good one.

Senator Grosart: Is this an unusual year for them in this respect?

Mr. MacDonald: I believe so, yes.

Senator Grosart: Turning to page 14, vote 10b, Consumer and Corporate Affairs, again the explanation is that the authorization is required "due to fluctuating foreign exchange rates." Also, under National Defence, vote 10b, the explanation is much the same.

Does this come about because of the fact that these deals are not made in Canadian dollars, or how do we get into fluctuating exchange rate problems in respect of grants such as these?

Mr. MacDonald: Many international organizations, in order to make comparability between the contributions expected from different countries, state those contributions in terms of one currency. In the case of the Consumer and Corporate Affairs item it is stated in terms of the franc. I believe a large portion of the contributions to the United Nations is stated in a fixed currency of one kind or another. There are international arrangements covering quite a few of these.

Senator Grosart: It might be worthwhile considering stating them in terms of the Canadian dollar.

Turning to page 50, Manpower and Immigration, vote 5b, I draw to the attention of the minister that this is a very large amount, because on the last occasion he was here he suggested that I was quibbling about the size of some of these amounts. This is in the amount of $42 million. The source of funds seems to be almost exactly the same as the use of funds. May I have an explanation for that?

Mr. MacDonald: This refers to the occupational training programs for adults. Essentially, there are two types of expenditures involved: one has to do with the cost of training days, which is treated as an operational item under the departments operating vote; and the other covers the allowances paid to trainees. In this particular year it was found that the cost of the training days has increased, while at the same time the composition of the trainees has been such as to create a surplus in the amount that was originally provided for the payment of allowances. That surplus arises because there is a relatively larger proportion of single trainees than there are married trainees. Also, the cost of training, as has been the case in education, has increased. It is higher than had been estimated. So the amount of the transfer is the amount required to make up the shortfall in the provision for training. There is this amount, and more, available from the granting vote which has for the purpose of paying the trainee allowances.

Senator Grosart: Would it be correct to say that this is, in effect, merely a transfer from one part of the training program in vote 10b to another part in vote 5b?

Mr. MacDonald: That is correct.

Senator Grosart: Next I come to page 64, National Health and Welfare, under Medical Research Council. Perhaps you could tell us exactly what funds will be available to the Medical Research Council this year. We started at a figure, I think, of $39 million, roughly. We have here an additional $999,999, plus an additional $1 million.

The complaint is that the Medical Research Council is underfunded in terms of current dollars. I have seen different figures given. I am wondering whether you can tell us the disposition, say, of these two? Are they additional to the funds in the main estimates?

Mr. MacDonald: This, of course, is an amendment to the amount available for the fiscal year 1973-74. The amount for the fiscal year 1974-75 would be stated precisely in the main estimates.

Senator Grosart: It is about $39 million.

Mr. MacDonald: I believe it has been increased.

Senator Grosart: I think this $1 million here is what we are talking about. Obviously, this amount adds to the current fund.

Mr. MacDonald: These are grants for payment in the current fiscal year. They would have to be disposed of by the end of April with respect to 1973-74. The amount for the fiscal year 1974-75 would be entirely different.

Senator Grosart: Perhaps we can deal with that when we look at the main estimates.

Turning to page 80, Secretary of State, vote 16b, this extends the vote wherein authorization was granted not only for the payment of interest but also the payment of a grant. Would this not be more properly under schedule "A"? Is this not, in effect, an amendment?

Mr. MacDonald: This is a rather unusual circumstance. What we are trying to do, basically, is to correct an error in the original action taken by the department in establishing a special account in the Consolidated Revenue Fund by administrative action, when that could only have been accomplished by parliamentary action. This is an attempt to achieve the intent, which is to create a continuing fund. In truth, it is a grant rather than an amendment to the previous appropriation act.

Senator Grosart: Except the previous act only authorized payment of interest.

Mr. MacDonald: The previous act, if I remember correctly, authorized payment in commemoration of the ccentenary of confederation of British Columbia with Canada, and it was of a very broad type. There were contributions actually made at that time, and the balance was, through administrative action, established as a continuing fund. The department then proceeded, incorrectly, to pay interest on that fund which is not, in the strictest sense, a legal act. This is an attempt to achieve the intent, which is, in fact, to establish a fund on which there will be interest accruing and from which there will be continuing disbursements.

Senator Grosart: Even if this was an amendment, it might fall into the category of an amendmment that was merely temporary in nature and therefore not the kind of thing that you would want to put into the consolidation of an act?

Mr. MacDonald: That is correct.

Senator Grosart: Turning to page 108, Transport, under National Harbours Board, it seems to me that the Maritime Employers' Association would be about the last people who would need to borrow money from the government. Is there an explanation for that?

Hon. Mr. Drury: I am not sure why it is said that the Maritime Employers' Association would be the last people who would have to borrow money from the government. The Maritime Employers' Association is a limited liability association, the membership of which is comprised of the shipping companies and their representatives. This was established for the purpose of bargaining with the longshoremen's union in the ports of Montreal, Trois Rivières and Quebec City. They have entered into an agreement with the longshoremen's union designed to reduce the numbers of men in the work force in these three ports. The agreement provided that men could be retired on paymment of a calculated pension, in a sense bought out from membership in the longshoremen's force, with a view to reducing the numbers and increasing efficiency. The costs of these buy-outs was to be met by a charge, in some cases a surcharge, on traffic handled through these three ports. Obviously, the plan calls for the outlay in cash for those who have been retired and received lump sum payments, to be recovered at a later date through future levies, future surcharges. This relates to the financing of these buy-outs.

In working out the agreement it has been found, first that the numbers to be bought out were rather larger than had been anticipated; secondly, that traffic through these three St. Lawrence ports, particularly of general cargo, non-container, has not been as buoyant as was hoped, with the result that they have reached the limit of accommodation the banks are prepared to put up for quite a long period of time. Consequently, they have looked to the government to finance the buy-outs. The association is a limtied liability association, and the financial credit of the principals is in no wise engaged. The Ministry of Transport entered into negotiations with them with a view to seeing whether the credit and credit facilities of the principals should not be engaged in this particular financing operation.

Senator Perrault: May I refer, Mr. Minister, to the $240 million in payments covered by vote 11b on page 18? By province, how is this benefit conferred in estimated dollar terms, or even in sheer percentage terms? I know there have been previous questions on this and I hope I am not retracing the footsteps of the discussion. It refers to:

> Payments, in accordance with and subject to regulations made by the Governor in Council, to refiners . . .

We are here talking about a vote of $240 million. How does this break down on a provincial basis? What percentage of that would accrue to the benefit of consumers, for example, in Ontario, Quebec, Nova Scotia, New Brunswick and so on? Has that been worked out?

Hon. Mr. Drury: It may have been. The benefit to consumers is the benefit of the price freeze from January.

Senator Perrault: I understand that.

Hon. Mr. Drury: The benefit of the price freeze obviously relates to the amount of consumption in each province.

Senator Perrault: This is the question.

Hon. Mr. Drury: I do not have the figures for consumption.

Senator Perreault: Would it be possible to obtain an estimated figure?

Hon. Mr. Drury: I think it should be.

Senator Perreault: I would appreciate that.

Senator Neiman: I would refer you, Mr. Minister, to page 64, under National Health and Welfare, vote 46b, in the amount of $235 million being asked for the Old Age Security Fund. I would like to have an explanation of the amount now being at that figure. I can see in the payments out the increases that have been made, but I understand the money comes from a fund, which has been decreasing over the past few years. It was in a credit position of something over $300 million two or three years ago and it has now decreased. I wondered how this money would continue to be funded, the payments out.

Hon. Mr. Drury: Perhaps I could ask Mr. MacDonald to explain the prospective change in accounting.

Mr. MacDonald: As the senator indicates, at one time the fund was, I suppose, chronically in surplus, if that is the correct term. However, the escalation of the payments of both old age security and guaranteed income supplement have put payments at a higher level than income, so that throughout the course of 1973-74 it was necessary to rely on a provision in the Old Age Security Act under which the Minister of Finance could make advances to the fund. That act also requires that, in a sense, something be done about those advances within a period of time. What is being done here is to actually make a payment to the fund, under the authority of an appropriation act, in the amount of those advances so as to put the fund in balance, if you like. There is in contemplation an amendment to the legislation to make the fund, I believe, a normal statutory payment, like family allowances or anything else, rather than maintain what was essentially a kind of fiction by which certain portions of tax revenue were attributed to the fund.

Senator Benidickson: On March 27 I asked some broad questions. I referred to certain reading that I have done, a certain amount of criticism of growth in overall expenditures, and crticism of a rapid increase in the size of the Public Service. I raised the question of the number of upper-bracket salaries being paid compared to a few years ago. Is there any intention to supply any information in written form in response to some of those queries raised on March 27?

Hon. Mr. Drury: There were some general questions and some specifics. With respect to the specifics, some newspaper accounts, Mr. MacDonald has done some research work and discovered a number of errors in these newspaper accounts. I would like to ask him if he would deal with those in detail.

Before he does that, there is at least one bit of paper I would like circulated to senators in answer to the general observation that expenditures of the federal government have been growing at an excessive pace. If I can get these papers to the members of the committee, Mr. Chairman, I could point out the chief items on them.

The Deputy Chairman: Very well.

Hon. Mr. Drury: Mr. Chairman, there are two papers: one is called "Government Spending"; and the other "Departments or Agencies with Signifiant Man-year Growth".

Looking at the document "Government Spending" first, the bottom line indicates that in the period from 1961 to 1973, a little more than a decade, the gross national product has gone from some $40 billion to $118 billion; that is, during this period, the GNP of the country has grown, in dollar terms, by a factor of 3—everything is three times bigger, three times more, and so on. This is the sort of background against which I think we should look at some of these things, both in respect of growth in numbers and in what the federal government is doing and not doing. The country as a whole is three times as active, in a sense, measured in dollar terms, anyhow, as it was in 1961.

During that period, one will see from the first line that total government expenditures have risen by more than a factor of 3, from $12 billion to $44 billion; that is, 3½ times. The federal government expenditures have gone from $6 billion to $17 billion; that is, about three times—roughly the same size of growth or rate of growth, the same tripling, as there has been in the GNP.

However, if one looks at the next line, "Federal Government Expenditures (exclusive of transfers to persons)"—that is, government operations in the purchase and furnishing of goods and services—the rate of growth here has been considerably less than this factor of 3; in fact, it is only some 2½ times. Obviously, this is the area where the government, in a sense, is getting into business; the government is making the choices. In the case of transfers of money to persons, it is putting in their hands the ability for them to make the choices, rather than be provided with goods and services of the government's choice.

Interestingly enough, in this field the proportion of the GNP devoted to the provision of goods and services, as far as the federal government is concerned, has been declining since 1961. Purchases of goods and services by the federal government in 1961 represented a little in excess of 10 per cent of the GNP. This has declined in 1973 to something under 9 per cent.

The numbers are still very large. In fact, there are $6 billion more going into the expenditures by the government—but the rate of growth of these expenditures, the degree of government participation, if you like, in this field, in relation to the growth of the whole country has been declining.

Did I make that clear, Senator Benidickson? I hope so.

Senator Benidickson: Yes.

Hon. Mr. Drury: If one looks at a lot of these newspaper stories in this kind of perspective, a broader perspective, the impression one gets really is quite different.

Just as a matter of interest, one will see, however, that provincial government expenditures, exclusive of transfers to persons, have in the same period been growing quite substantially in rate—which indicates that provincial governments are moving more into this field, in relation to the country as a whole.

These provincial expenditures for goods and services have been increasing more rapidly than the GNP itself. The same, of course, is true, to a lesser degree, for municipal or local government expenditures.

The point of all this is that, first, the federal government expenditures have been growing quite rapidly, but mostly in the area of providing citizens with the ability to make their own choices rather than in the area where the government is making the choice as to where and how it will be divided.

Senator Carter: You say, "exclusive of transfers to persons". Where do the equalization payments come in, which go out to the provinces? In what column are they included?

Hon. Mr. Drury: They do not appear at all, for the reason that a transfer payment between governments does not affect the relationship of governments or the state to individuals.

Senator Carter: It affects the amount spent by provincial governments.

Hon. Mr. Drury: Of course it does.

Senator Carter: But that is not included in the percentages here.

Hon. Mr. Drury: You say " 'that' is not included..." The equalization is a payment by the federal government and revenue of provincial governments.

Senator Carter: Yes.

Hon. Mr. Drury: There is no mention here of any revenue side of any government. We are dealing only with expenditures.

Senator Perrault: However they derive.

Hon. Mr. Drury: The transfer payments, the equalization payments, show up as expenditures by the provincial governments.

Senator Carter: They are included in provincial expenditures, in this table here?

Hon. Mr. Drury: They are.

Senator Carter: When you say "Provincial Governments, percentage of GNP, 6.1 per cent in 1961 and 10.7 per cent in 1973," are you talking about the provincial gross national product, the average of them, or is that the average of the national GNP?

Hon. Mr. Drury: It is the percentage of the gross national product.

Senator Carter: Not the provincial?

Hon. Mr. Drury: No. This looks at the provincial governments as a whole. It does not relate to the performance of any individual provincial government. It merely indicates at the various levels of government the trends of their expenditures.

Senator Perrault: Is there a possibility that this summary of government spending may be misleading by virtue of the fact that the federal government has withdrawn from certain fields and has transferred those responsibilities to the provinces? In other words, expenditures which formerly might have been allocated to the federal government are now provincial by virtue of a change in government policy somewhere along the line.

Hon. Mr. Drury: Unquestionably. This accounts in part for the change, not only in nature but also in quantum, of spending over the decade. I do not think in respect of payments for goods and services that there has been much of a transfer of responsibility, however.

Senator Grosart: Mr. Minister, this is a very ingenious presentation, but it should be stressed that it does assume that the transfer from the federal government to the provinces is not a federal government expenditure, which is something that could be questioned. Because, after all, what concerns certainly the taxpayer is the load on him, and I do not see a very great deal of difference between the transfer from the federal government to persons and a transfer from the federal government to provinces. It is still an expenditure, and if you want to take it in current bookkeeping terms that is what you pay out. So the exclusion of the intergovernmental transfers from the $17 billion figure in 1973 is what makes it lower than it would be if those intergovernmental transfers were included. Is that not correct?

Hon. Mr. Drury: Yes, but in relation to the state and the citizen, the intergovernmental transfers are, shall we say, wash items.

Senator Grosart: No more than the transfers, so long as they do not appear a second time.

Hon. Mr. Drury: Yes.

Senator Grosart: I can appreciate their being excluded from the total government expenditures, of course, otherwise they would be duplicated; but I am merely pointing out that if you add the intergovernmental transfers from the federal government, and you call those expenditures, your $17 billion figure for 1973 will be considerably higher.

Hon. Mr. Drury: That is correct; indeed. The total federal government expenditures would be the number shown in the estimates.

Senator Grosart: Or the public accounts.

Hon. Mr. Drury: Or the public accounts, yes, more accurately, and somewhat later. That is correct.

But the purpose of this table, really, is to indicate, in a sense, the directions in which we are going.

Senator Grosart: Yes.

Hon. Mr. Drury: Granted that there are many qualifications, nevertheless, there also tends to be, rather popularly, a duplication of numbers by assuming that governments are spending the whole of the federal appropriations—provincial governments are spending the whole of their appropriations and municipal governments are spending the whole of their appropriations; and this means that the intergovernmental transfers, which are expenditures by one level of government or another, may be shown twice or perhaps even three times—the same number.

Senator Grosart: I appreciate the fact that you make a distinction between expenditures and revenues, but one happy aspect of the table is that it might indicate that the government has listened to the recommendations of this committee over the years that the rate of increase in federal government expenditures should not exceed the rate of increase of the GNP. You make out a very good case that maybe you listened to us.

Senator Perrault: However government spending is allocated, there seems to be an inexorable upward spiral. Does the minister see any levelling off in this process of taking increasingly higher percentage amounts of the GNP by government? That is question one. Question two is: Do we have any statistics comparing the percentage of GNP in Canada allocated to government with that of other nations?

Senator Benidickson: Senator Perrault, I gave some figures, quoting the *Financial Times* which in turn was reporting from OECD, and I think there were 12 comparable nations referred to. Those percentages are on a table in our *Hansard* of March 28.

Senator Perrault: But does the minister agree with the statistics placed on the record by Senator Benidickson?

Senator Benidickson: I referred to them at the last meeting of this committee, too. Is there any comment on that?

Hon. Mr. Drury: Mr. MacDonald has some comments. In general, he will, disappointingly, I guess, say that the figures are not properly comparable, as the statistician pointed out, and they are valid really only in relation to a single country to show the direction in which it is going. At any rate, perhaps I should let Mr. MacDonald speak for himself.

Mr. MacDonald: Mr. Chairman, the particular article to which Senator Benidickson is referring is from the *Financial Times* in January. It offered comparisons of Denmark, Sweden, the United Kingdom, France, Germany, Canada, the United States and Japan. There is also a reference to the OECD publication in co-operation with the International Monetary Fund.

Now, the OECD publication from which this data was apparently drawn, warns against this comparison between countries because of the fact that there are different systems of compiling national accounts. There is a new system, one being promoted by the United Nations and the OECD, which has been fully adopted by only four countries: Canada, Australia, Sweden and the United Kingdom.

Other systems are used by other countries, and the OECD publication, in fact, says that it must be stressed that no direct comparisons can be drawn between the data relating to the two groups of countries. It is possible, however, to make comparisons of Canada to Sweden and to the United Kingdom.

I mentioned that the fourth country following a system like Canada's is Australia, but it is not mentioned in the *Financial Times* article. This article shows, in terms of what the governments are taking as tax revenue expressed as a percentage of the gross national product, that in total terms Sweden is taking 41.8 per cent, the United Kingdom is taking 35.7 per cent and Canada is taking 32.3 per cent.

Senator Perrault: So they are not directly comparable. Mr. Chairman, it may be of interest to note that when I was studying the question of unemployment a few months ago I discovered, for example, that in Germany their unemployment statistics are based on the number of people registered as receiving employment at the local employment office. In other words, there is a different method of assessing unemployment and all these other factors, so it is not directly comparable, then.

Senator Benidickson: I am grateful for those observations, and I will see that the *Financial Times* gets a copy of our proceedings this morning. In that way, perhaps some publicity will be given to the qualifications that Mr. MacDonald has so nicely provided on the OECD quotation.

I am not particularly endeavouring to criticize information that comes to me by reading the *Financial Times*, but it does so happen that it is read by a very substantial element of our business community. I happened to read another issue just the day before yesterday relating to "the government's share of spending". Again we are informed through this publication of this subject, and I want to know again, perhaps after analysis, if the Treasury Board officials would think it a reasonable observation. It states in the headline, "Govt.'s share of spending down in '74."

I think that will be welcome news to quite a number of critics of government expenditures. However, I would like briefly to put on the record an excerpt from the article. It says:

> While everyone from the Canadian Manufacturers Association on down is blaming heavy government spending for most of the country's economic ills, it turns out that "the government"—

Now, that is often a phrase that is used, and it is not made clear that we have several levels of government.

> —spent a smaller share of the national wealth last year than it did the year before.
>
> It is not very likely that the trend will continue, though. What actually happened was that the economy grew so fast, that government could not keep up. Revenues of all levels of government rose by 14 per cent from the year before, matching a 14.8-per-cent increase in the gross national product. But government spending increased by only 12.4 per cent from 1972.

I think, again, that a memorandum for all committee members from the Treasury Board commenting on that news report would be of value.

Senator Carter: Is that 1972 or 1973?

Hon. Mr. Drury: I would say, probably 1973 as against 1972.

Senator Carter: 1973 over 1972?

Hon. Mr. Drury: Yes. I wonder, Mr. Chairman, whether we could get the date of that article.

Senator Benidickson: Yes. We received that on a Monday, weekly, and that would be last Monday, April 1.

Mr. MacDonald: I believe I have seen that article, and we will have a look at it.

Senator Carter: I have two minutes before I have to go. I would like to ask, just two questions on table No. 2. "National Revenue, $5,390,000",—how much of that is equalization transfers?

Hon. Mr. Drury: Mr. Chairman, this table to which Senator Carter refers is a compilation of the number of incremental man-years to various departments and agencies of the federal government from the years 1970-71 to 1974-75.

Senator Carter: Is it only salaries? It has to do with only salaries and wages?

The Deputy Chairman: Number of man-years.

Senator Carter: Man-years? But I mean, you are paying for human energy. This is the only item in here that—

Senator McElman: These are not dollars, these are years.

Senator Carter: Oh, I am sorry; man-years. I see, thank you.

Senator Perrault: Mr. Chairman, in connection with item 3 on that list, the Unemployment Insurance Commission increase of, whatever the figure is—Is that 4,788?

Hon. Mr. Drury: 4,788. Mr. Chairman, this table shows the changes in the period 1970-71 to 1974-75. The latter year is as outlined in the main estimates, which will be slighly different, probably, from the eventu numbers. But we brought it as far forward as possible. In this period this is the net increase in what we would describe as the Public Service, and here are the main components of a growth of some 57,000 public servants during this period.

As one will see, the big increase has occurred during this period in the Post Office. The figure there is 9,272. The reason for this, as I think has been explained to the committee, is that at the beginning of the decade there was a freeze put on the Post Office, and a policy decision was taken not to extend to new and growing communities the standards of letter delivery service which other communities had. During this period the freeze was lifted and this accounted, to some degree, for a catch-up of letter delivery service which had not been given in the past, and produced a rather large bump in additional manpower.

In the case of the Department of National Revenue, they have been operating on the basis that increases in their staff must correspond to substantially larger increases in revenue, and as the revenues have substantially grown, so indeed have the numbers of people required to deliver to the taxpayer the additional and rather more expeditious service than one perhaps has been accustomed to in the past. The department has been making a diligent and successful effort to get this business going of helping you prepare your income tax return, and correcting the mistakes made, on an advisory rather than a police basis; and secondly, to get the very substantial number of refunds out very early in the year instead of, as has been the case in the past, waiting until the summer before the refunds became payable. This called for quite a substantial increase in staff.

The Unemployment Insurance Commission has been reorganized to meet the demands of the new act during this period, and has had, as is seen here, a substantial increase in manpower.

Senator Perrault: May I ask you a question in connection with the Unemployment Insurance Commission? There is a great deal of public and press criticism of the present unemployment insurance program, but very rarely do we hear any figures about the return to the treasury. Do you have any figures available with respect to that? It must amount to a great deal of money, but we never hear any public information, on this side, of the unemployment insurance program. The benefits are now taxable, are they not? I think that would be of interest to the committee.

Hon. Mr. Drury: They are now taxable. This obviously would have to be an estimate, as the revenue side is not our particular field of preoccupation, but we will try to see if we can get from National Revenue or the Department of Finance the figures that you ask for.

Senator Perrault: I think it would be of interest, in view of the increase in man-years under the heading of the Unemployment Insurance Commission, to know if there is this offsetting factor of some revenues being returned to finance much of this expansion.

Hon. Mr. Drury: We have made a similar estimate, which I think has been publicized, as to the likely increase in revenue as a consequence of making family allowances taxable, and I think the same thing would probably be done and in the same way for UIC benefits.

Senator Benidickson: Mr. Chairman, Mr. Drury has stated that, in part, an explanation for the increase in staff in the Department of National Revenue might be attributable to prompter service in making refunds on personal income tax claims and corporate income tax claims. My personal experience is quite the opposite. I think over the past ten years, in each year except one, I have overpaid my tax and been entitled to a refund. I must say that except for this year the refunds have been paid fairly promptly. But despite approximately four recent monthly telephone calls I am still awaiting a refund for my returns filed in April, 1973, for the taxation year 1972. Thus, I say, I feel that the service with respect to refunds has deteriorated rather than improved in the last 15 months.

Senator Perrault: Perhaps it is the late postal delivery.

Senator Benidickson: I have some experience of that too. I think that in 1970-71, on a Saturday and Sunday, we had much better dispatch service for mail than I found to be the case last Sunday. I made inquiries about this. I have a Post Office box in front of my residence, and there is no longer any pick-up service from that box on Saturdays or Sundays, and I am sure there was three or four years ago. I made phone inquiries on Sunday last at 4.15 p.m. to see what facilities were available in Ottawa for the dispatch of urgent letters. I got an answer from the information service at the main Post Office, Alta Vista, which I was prepared to drive out to, to assure next day delivery of letters by post. I was told that there was no longer any service provided at either the Sparks St. or Besserer St. large Post Offices. I was told—and as I say, this was at 4.15 p.m. on Sunday last —that they were at that moment closing the last bags for further dispatch that day.

In very recent years, as I recall, even in my small town of Kenora we had sorting of mail over the 24-hour span, seven nights a week, and if I put a letter in the post box on Saturday night or Sunday night—and, as you know, Sunday is a day when one often writes personal letters—I found I could dispatch those at practically any time prior to next train delivery, and mail dropped at the main post office itself would be handled and sorted. That is not the case today, although we are paying twice as much in postal rates as we paid then—that is, at the time of the 1970-71 man-years table just put before members of this committee.

I make that observation because I must confess that it rankles a little to receive such information as recently as last Sunday about reduced service for mail dispatch on week ends. As I say, I inquired thoroughly two days ago about the service now provided.

I had a similar experience in Toronto, where I spent a couple of weeks during the most recent parliamentary recess. I found that to deposit mail I had to go down to what used to be the main post office opposite the Royal York Hotel, although my temporary residence in Toronto was out on Eglinton Avenue East. There I noticed written in very small print at the top of the letter boxes—and you would need glasses with fairly strong lenses to see it—a warning about the lack of service on Saturdays and Sundays.

Senator Manning: Mr. Chairman, referring to the government's statement, is there any information available to show what the impact would be on a statement of this kind if it were reduced to constant dollars? Here I am thinking of the impact of the inflationary factor on GNP over this period of time, say, since 1961.

Hon. Mr. Drury: The numbers, if expressed in constant dollars, would be lower; but, at the same time, the same factors would be applied to all of these, so they would all be lower.

The Deputy Chairman: The same percentage?

Hon. Mr. Drury: The same percentage. It is just a relative table, in any event. What the numbers would be in constant dollars, I do not know, but this could be worked out.

The Deputy Chairman: Are you specifically asking, Senator Manning, what these figures would be?

Senator Manning: I am just wondering if the figures are available. I think where the GNP is concerned, and perhaps this cannot be avoided, it is completely misleading if one compares the increases in the GNP without taking into account that probably half of it, or certainly a certain percentage of it, is due to inflation. It is a very large percentage.

The other point I was wondering about is whether the inflationary factor would be reflected as being necessarily the same percentage of all expenditures as it is of the GNP itself, because these are not actual comparisons. It would be a factor, but would it apply to the extent that if the GNP came down by X per cent as a result of taking out the inflationary factor, the increase in expenditures in these other areas would come down by the same percentage?

Hon. Mr. Drury: Not by the same amount, but by the same percentage, I think. After all, a dollar is a dollar is a dollar, and it is either expressed in one kind of dollar of another kind of dollar. Therefore, if the $100 at the bottom of the page is related to $50 up above and then you halve the bottom one, then you would also halve the top one. But the implicit deflator is, I think, a well-known number for each year, and one would just apply it to all these numbers. I agree it would give a different answer because there would be a distinction between total growth or gross growth and real growth, and every year in the budget the Minister of Finance compares these two figures.

The Deputy Chairman: Are there any further questions? If there are no further questions, perhaps I could make one further reference.

Senator Benidickson: Mr. Chairman, perhaps you are making an observation about further sittings with respect to the supplementary estimates, as arranged at our last meeting on March 27?

The Deputy Chairman: Are you referring now to the presence of Mr. Macdonald, the Minister of Energy, Mines and Resources?

Senator Benidickson: Yes.

The Deputy Chairman: I was just about to bring up that subject. We have a written answer to a question that was asked, and we have further answers today. I am asking the committee whether they still feel it necessary to have Mr. Macdonald, the Minister of Energy, Mines and Resources, appear before the committee. I say this with the suggestion that we may not be sitting next week.

Senator Benidickson: Mr. Chairman, the situation has changed a bit since last week when we discussed this expenditure item of $240 million for only the first three-month period of 1974. Our interest, as indicated by the report of last week's meeting, was to assure ourselves that an expenditure of this magnitude adequately met the indicated purpose, namely, price maintenance at the gas pumps or the consumer retail level.

A bill was introduced yesterday in the House of Commons which I think will provide a future vehicle for discussion of the general overall developments in connection with any subsidy for petroleum products prices to the consumer, the experience prior to January 1, 1974 when a voluntary price freeze may have prevailed, the experience during the first three months of 1974, and the probable benefits in price maintenance to the consumer for petroleum products from the legislation that was introduced yesterday—which I suppose none of us in the Senate has yet had an opportunity to peruse.

Would the chairman and members of the committee think that this is a proper surmise on my part and that we could leave it open as to whether we want to call the Minister of Energy, Mines and Resources; and, if we do, when he should be called?

The Deputy Chairman: Fine. If you are suggesting that now is not the proper time, we could leave that to the discretion of the chairman as to whether the minister should be called, and, if so, when. Would that be satisfactory to the committee?

Senator Robichaud: Yes, but only inasmuch as that it not be on a Wednesday morning. I should place this on record, that this committee should not meet on a Wednesday morning.

Senator Benidickson: Before Senator Robichaud joined us, I repeatedly made a similar observation, and it was referred to by the Government Leader last week in one of our proceedings. Wednesday is a very day for committee meetings. Notwithstanding that, we have three committee meetings this morning. Two started at 9.30 and may continue on to lunchtime. It is the practice in the Senate, whether one is a member of a committee or not, that a senator who is interested may go to any committee hearing, where it is always possible to ask questions and be heard. The present practice of having committees meet on Wednesday morning is a very unfortunate one as it prevents senators from being able to fulfil other important parliamentary duties regularly scheduled on a Wednesday morning.

The Deputy Chairman: Honourable senators, thank you for your comments. I will discuss this point with the chairman of the committee.

Mr. Drury, I extend, on behalf of all of us, our thanks to you for appearing again today, with Mr. MacDonald.

Hon. Mr. Drury: I thank you, Mr. Chairman, on my own behalf and on behalf of Mr. MacDonald, for your appreciation.

The committee adjourned.

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Hon. Mr. Drury: I thank you, Mr. Chairman, on my own behalf and on behalf of Mr. MacDonald, for your appreciation.

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Second Session—Twenty-Ninth Parliament

1974

THE SENATE OF CANADA

STANDING SENATE COMMITTEE ON

NATIONAL FINANCE

The Honourable DOUGLAS D. EVERETT, *Chairman*

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2nd Session, 29th Parliament, 1974

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ORDERS OF REFERENCE

On Wednesday, February 21st, 1973, the Senate resolved:

That the Standing Senate Committee on National Finance be authorized to examine and report upon the expenditures proposed by the Estimates laid before Parliament for the fiscal year ending the 31st March, 1974, in advance of bills based upon the said Estimates reaching the Senate.

On Thursday, March 15th, 1973, the Senate resolved:

That the Standing Senate Committee on National Finance be empowered to engage the services of such counsel and technical, clerical and other personnel as may be necessary for the purposes of its examination and consideration of such legislation and other matters as may be referred to it.

On Thursday, December 13th, 1973, the Senate resolved:

That the Standing Senate Committee on National Finance be authorized to publish and distribute its report on Information Canada as a supplement to its report on the Estimates laid before Parliament for the fiscal year ending 31st March 1974, adopted by the Senate on 26th June, 1973, as soon as it becomes available, even though the Senate may not then be sitting.

On Tuesday, March 19th 1974, the Senate resolved:

That the Standing Senate Committee on National Finance which was authorized in the 1st Session of the 29th Parliament on 21st February 1973, to examine and report upon the Estimates laid before Parliament for the fiscal year ending the 31st March 1974, and on 26th June 1973, to prepare and table a report on Information Canada as a supplement to its report on the said Estimates, be authorized to continue its examination of Information Canada and table its report thereon in the present Session.

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On Thursday, March 28th, 1974, the Senate resolved:

That the Standing Senate Committee on National Finance which was authorized at the 1st session of the 29th Parliament on 21st February 1973, to examine and report upon the Estimates laid before Parliament for the fiscal year ending the 31st March 1974, and on 28th June 1973, to prepare and table a report on Information Canada as a supplement to its report on the said Estimates, be authorized to continue its examination of Information Canada and table its report thereon in the present Session.

Members of the

STANDING SENATE COMMITTEE ON NATIONAL FINANCE

(*as at 1st April 1974*)

The Honourable Douglas D. Everett, *Chairman*
The Honourable Herbert O. Sparrow, *Deputy Chairman*
and
The Honourable Senators:

Benidickson, W. M.
Carter, Chesley W.
Côté, Jean-Pierre
Croll, David A.
Desruisseaux, Paul
* Flynn, Jacques
Giguère, Louis de G.
Graham, B. Alasdair
Grosart, Allister
Hicks, Henry D.
Langlois, Léopold
Manning, Ernest C.
* Martin, Paul
Neiman, Joan
Perrault, Raymond
Phillips, Orville H.
Prowse, J. Harper
Robichaud, L. J.
Welch, Frank C.
Yuzyk, Paul

* Ex officio Member

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1. Information Canada's role and terms of reference should be defined by an Act of Parliament which spells out Information Canada's authority and responsibilities. (Chapter I; Page 1)

2. The Secretary of State should be given responsibility for all federal government information services and Information Canada should be the agency responsible to him for this purpose.

a) Information Canada should not be a central information agency creating and disseminating all federal government information programs.

b) The various departments of government should continue to operate and be responsible for their own information services, but the Secretary of State, through Information Canada, should regulate and co-ordinate the departmental information activities to achieve an effective overall information service to the Canadian public at the lowest possible cost. (Chapter II; Page 7)

3. The major objective of Information Canada is to improve the quality and efficiency of federal government information services. It should be guided by the following principles:

a) While Information Canada's main function is to regulate and co-ordinate departmental information activities to produce a comprehensive information system, it cannot avoid initiating its own information programs. However, it should keep this activity to a minimum.

b) Information Canada should continually evaluate departmental information programs to ensure that they are employing the most effective techniques to fill the information needs of the public.

c) Information Canada should continually evaluate the cost effectiveness of all information programs and should act to prevent waste and duplication.

d) Factual and useful information on federal policies, programs and services, should be made easily available to the public. It is not the function of information services to cram information down people's throats.

e) While it may be desirable to tailor information to individual, regional and special group needs, the cost of doing this can be disproportionate to the benefit. (Chapter III; Page 11)

4. In the Blue Book of Estimates, the cost of information services should be fully and clearly shown for each program of each department and for all government agencies. Treasury Board should publish a definition so that departments will know what items should be included in information services. This definition should be developed for Treasury Board by Information Canada. (Chapter IV; Page 15)

5. Information Canada should act as the agent of the Treasury Board in screening the information budgets of all departments and agencies and advise Treasury Board regarding expenditures on information programs proposed by departments. (Chapter IV; Page 15)

6. The Mobile Information Officer program appears to the Committee to have developed into a social welfare service. As an information service it is extremely expensive on a per capita basis and as an information evaluation service it leaves a great deal to be desired. As it has a potential for excessive growth it should be discontinued. (Chapter V; Page 19)

7. The Regional Offices of Information Canada are useful when associated with bookstores and Enquiry Centres. Beyond this the function of the Regional Offices should be to evaluate the effectiveness of all departmental information programs in the various regions.

a) The number of Regional Offices should be limited to Halifax, Montreal, Toronto, Winnipeg and Vancouver.

b) The regional evaluation of departmental information programs should be largely carried out by survey and wherever possible private surveying firms' services should be utilized. (Chapter VI; Page 23)

8. One of the most successful functions undertaken by Information Canada is its Enquiry Service. This service should be improved by being based largely on telephone contact.

a) The number of Enquiry Centres should be limited to the six existing and the five planned. This would mean that there would be Enquiry Centres in each of the ten provinces with an additional Enquiry Centre in Ottawa.

b) The enquiry service should be organized so that a citizen may make a telephone enquiry to the appropriate Enquiry Centre at no charge to the citizen. The Enquiry Centre should be equipped with staff and material to give the citizen the answer to his question or refer him to the appropriate source. The telephone number should be advertised as widely as possible and should be included in a prominent place in every phone book and post office.

c) The news media should be invited to publicize, as a public service, the Information Canada Enquiry Centre in each province. (Chapter VII; Page 25)

9. **We endorse the activities of the Communications Services Branch and recommend that in developing information programs, Information Canada should not overlook the value of making use of the private sector especially if this results in costs savings through reducing the need for permanent personnel (Chapter VIII; Page 31)**

10. **Before private agencies are used by government departments, it should be necessary to have the approval of Information Canada which should develop a method for evaluating such agencies in relation to the service required of them. (Chapter IX; Page 33)**

11. **We generally endorse the activities of the Publishing Branch of Information Canada, but make the following observations:**

a) The present six bookstores appear to be functioning well and should be continued. However, due to the high costs associated with these bookstores we endorse the decision not to open any more, but to market government publications through authorized agents.

b) We believe that the wide distribution of government publications is a highly important public service. Therefore Information Canada should continually monitor the authorized agents to ensure that they are making government publications easily available to the public.

c) We recommend that Information Canada publicize in the various media the availability of government publications through its bookstores, authorized agents and a highly efficient mail order system.

d) Information Canada's function of regulating departmental information services should extend to the make-up of government publications and their distribution to the public. Special attention should be given to the volume of publications which are now distributed free by government departments to recipients who, in many instances, have no interest in them. This practice should be drastically curtailed. (Chapter X; Page 35)

12. **Government departments often tend to base their information on the printed word and to ignore the effectiveness of radio, television and audio-visual aids. Information Canada should become highly experienced in the latest audio-visual techniques and should advise departments on their use. (Chapter XI; Page 39)**

13. **Information Canada should not become a source of information personnel for government departments but should advise government departments on the qualifications required of information personnel and the methods of evaluating their performance. (Chapter XI; Page 40)**

14. **We endorse the activities of the Expositions Branch of Information Canada. (Chapter XI; Page 41)**

9. We endorse the activities of the Communications Services Division and recommend that in developing information programs, Information Canada should not overlook the value of making use of the private sector, especially if this results in some savings through reducing the size of the permanent personnel. (Chapter VIII, Page 31)

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b) We believe that the wide distribution of government publications is a highly important public service. Therefore Information Canada should continually remind the authorized agents to ensure that they are making government publications easily available to the public.

c) We recommend that Information Canada publicize in the various media the availability of government publications through its bookstores, since the agents are a highly visible retail outlet.

d) Information Canada's function of reviewing departmental information services should extend to the mailing up of government publications and their distribution to the public. Special attention should be given to the volume of publications which are now distributed free by government departments to individuals who, in many instances, have no interest in them. This practice should be drastically curtailed. (Chapter X, Page 38)

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14. We endorse the activities of the Regional Operations Branch of Information Canada. (Chapter XII, Page 41)

INTRODUCTION

In May 1973, the Standing Senate Committee on National Finance, in the course of examining the 1973/74 Estimates, decided to examine in detail the appropriation of one department, and chose Information Canada for this purpose.

The original intention of the Committee was to complete this study in time to table a Report to the Senate in June 1973, along with the results of their examination of the Estimates as a whole. It became evident that in order to do full justice to the examination of Information Canada and table a fair and impartial Report, more time and investigation would be required and so it was decided to complete the examination of this department after the summer recess in October 1973.

Ensuring that the people of Canada receive information on the organization and actions of their federal government is a most important function and in this Report we attempt to show ways and means that will accomplish this task in a more effective and efficient manner.

We wish to express our appreciation to the witnesses who appeared before us, all of whom were forthright in answering our questions. In particular we are grateful for the co-operation and forebearance of Mr. Guy D'Avignon, the Director General, Information Canada, and his staff.

We would also like to thank Mr. J. H. M. Cocks our Director of Research and Administration; Dr. George Kerr, from the Parliamentary Library; Mr. Gerard Lemire, the Clerk of the Committee; and Mrs. Dorothy Durrett, Miss Hilda Baker and Mrs. Irene Hudson.

CHAPTER I

TERMS OF REFERENCE

Conclusions and Recommendations

Information Canada's role and terms of reference should be defined by an Act of Parliament which spells out Information Canada's authority and responsibilities.

Two of the more common clichés of modern life are that "information is increasing faster than man's ability to assimilate it" and that "government is becoming increasingly remote from the governed". In support of these clichés, others can be cited to the effect that "the pace of life is rapidly accelerating; that decision-making requires more rapid and complex calculation which can only be carried out by experts; that the onrushing development of technology makes our views of human society obsolete before they are even formulated". Implicit in all these statements is an unstable division of society into a cabalistic in-group of the informed and the expert—confirming the observation that knowledge is power—and the rest of society which, by definition, is dependent on experts for a share of their knowledge, and of their power.

It is vital, therefore, that the flow of information between Canadians and their government be maintained if participatory democracy is to become anything more than a trendy phrase. The federal government must carry out its obligation to the citizens of Canada to keep them fully informed of its plans and programs. We see this flow as mainly a one-way affair where Information Canada is concerned. Although Information Canada should be constantly aware of its effectiveness in meeting public needs for information, this aspect of its function should not develop into a form of listening post. The agency's original concept of "information in"—a continuing assessment of public attitudes and opinions regarding government programs—is unworkable and may in addition represent a by-passing of existing political institutions. While Information Canada should, as a matter of course, remain aware of issues of public concern, it is felt that a formal structure to carry out this task is unnecessary.

Canada's governments are not inclined to throw a blanket of secrecy over their operations. In some vital areas, secrecy is necessary and justifiable, in others less so, and in many, completely unjustifiable. But the Canadian public, and the news media are very often subjected to a surfeit of governmental information. Barrages of departmental press releases, ministerial statements, and press conferences constitute a sensory overload for many observers of the political process in Ottawa, to say nothing of the provincial capitals and the municipalities. Even seasoned professionals in the information field often make heavy weather of it: for the layman it is all a "buzzing, blooming confusion". It is little wonder that enquiries concerning schools are addressed to some mythical Department of Education in the Parliament Buildings, or that a demand for a municipal tax rebate turns up in Consumer and Corporate Affairs. It is not volume of information which has been lacking in Ottawa, but rationalization and efficient dissemination.

In 1969, The Task Force on Government Information handed down its Report, stating that:

> "The right of Canadians to full, objective and timely information and the obligation of the State to provide such information about its programs and policies be publicly declared and stand as the foundation for the development of new government policies in this field"

To this end, the Task Force made several recommendations regarding the establishment of Information Canada:

> (a) "A Council of Directors of Public Affairs (formerly Information) Divisions, from departments and agencies, serviced by Information Canada, be set up to permit a better understanding of government policies affecting all or a particular group of them, to pool knowledge on current information plans thus developing a broader view of the context in which they operate"
>
> (b) "A central resource and services organization, to be known as Information Canada, be established in an existing Ministry. This organization would facilitate and co-ordinate the technical and operational aspects of information activities in Canada and abroad; and would be responsible for certain activities that are currently not being carried out, or are receiving inadequate attention within departments. Through its personnel and production, Information Canada should ensure that the two official languages are used as equal instruments of creativity and communication."
>
> (c) "Offices of Information Canada be set up in stages in each of the main regions to strengthen, facilitate and co-ordinate the exchange of public information on federal programs between the regions and Ottawa".
>
> (d) "Canada's information programs abroad be developed by the interested departments in harmony with the policies administered by the Secretary of State

for External Affairs with the advice of a board drawing its membership from the public and private sectors; and that appropriate programs be serviced by a division of Information Canada".

The government was not slow to act on these recommendations. The Prime Minister stated in the House on February 10, 1970 that:

"Information Canada will promote co-operation among federal information offices now operating in mutual isolation. The object will be to increase effectiveness as well as to save money by reducing duplication in the use of staff and equipment and by better joint use of the government's information resources. A similar approach was recommended by the Glassco Royal Commission on Government Organization. We expect that co-ordination will result in more coherent information, clearer and more understandable to Canadians than it has been in the past".

After mentioning the lack of machinery for dealing with governmental information of an interdepartmental nature, and the need for Information Canada to fill this gap, the Prime Minister outlined a third reason for the establishment of Information Canada:

"to be able to learn better the views of the Canadian people. The unit is therefore designed not merely as a vehicle for dissemination of information but to provide better systems for Canadians to make known their viewpoints to their governments".

In his statement to the House, Mr. Trudeau indicated acceptance in principle of the bulk of the Task Force's seventeen major recommendations.

Information Canada was formed on April 1, 1970, a date which was not without significance in the eyes of its critics. Its main functions were:

"to initiate information programs on broad subjects such as federalism, which affect the nation as a whole and go beyond the responsibilities of departmental information divisions: to promote co-operation among departmental and agency information offices in major information programs and, consequently, increase effectiveness and efficiency; to advise and service, on request, departments and agencies; and to help Canadians get across their viewpoints to Parliament and government".

Specifically, these functions were to be discharged by:

(a) The design, provision and administration of exhibits and displays on behalf of Federal Government departments and agencies.

(b) The provision of publishing services for departments except:

(i) such publishing services as are already assigned by statute to the Queen's Printer, and

(ii) the publication of the *Canada Gazette*, the official documents and instruments required to be published therein, and the reports, transcripts, bills and other documents sent to the Queen's Printer for printing by the staff of the Senate and House of Commons of Canada,

(c) The retail distribution system and bookstores associated, and to be associated therewith as formerly operated by the Queen's Printer.

(d) The supervision and control of the rights and obligations in respect of the Crown Copyright in any document or other work of any kind in which it subsists.

(e) The organization, management and direction of the staff and other resources acquired and to be acquired in respect of the administration of the consolidated information service.

The question of whether or not Information Canada is carrying out the job as defined will be dealt with in succeeding chapters. At this point it would be instructive to note the authority under which Information Canada was established. It was, in effect, created through an Appropriations Act (June 26, 1970) giving approval to the program of Information Canada. It was designated a department by Order-in-Council on March 26, 1970 (PC 1970-559):

(a) pursuant to Section 2 of the Financial Administration Act, to designate Information Canada as a department for the purpose of that Act;

(b) pursuant to Appropriation Act No. 2 1970, to designate the Honourable Robert Stanbury as the member of the Queen's Privy Council of Canada under which the Director of Information Canada shall administer all matters assigned to the Director by the Minister of Supply and Services; and

(c) pursuant to Section 2 of the Public Service Employment Act, to designate Information Canada as a department for the purpose of that Act.

To say that Information Canada's status in the governmental panoply of departments and agencies is unclear would not overstate the case. Promoting co-operation among government information offices, increasing effectiveness and efficiency of said offices, and advising and servicing them on request; all require a strong hand at the helm, or at the very least a strong sense of direction if the government's information vessel is not to founder on the shoals of unrestricted growth and irrelevant projects. At present, this is not the case. We would hasten to add that this is not because of any lack of competence in the senior personnel of Information Canada. We have found them, as a whole, to be competent and thoroughly dedicated to their difficult and very often thankless task. The fault lies, we repeat, in the vagueness of its establishing authority, and the difficulties inherent in operating under it.

Something more than a vote in the yearly Estimates is required. It is felt that Information Canada would be more appropriately established by the authority of an Act of Parliament. Such an Act would define the duties, activities and responsibilities of Information Canada as a government department, and establish its relationship to information services in other government departments, to Treasury Board and to Parliament.

The Standing Senate Committee on National Finance considers Information Canada's uncertain status to be a prime area for clarification, preferably by legislative enactment as mentioned above. Other areas will be considered in the course of this Report, and it will be shown that many of the criticisms of Information Canada made during the course of the Committee's hearings, and indeed in Press and Parliament, are due to the lack of clear guidelines.

Without clear terms of reference, no organization and in particular no governmental organization, can avoid straying into areas of activity where it does not belong, nor can it escape the bureaucratic snare of unregulated, unlimited growth. On both counts, Information Canada has been judged and found wanting by critics in the Press and in Parliament. The critics are not to be blamed for their perception of Information Canada's faults, but the reason for the less-than-desirable by-products of Information Canada's development should be made clear in order to lend perspective to the situation. The Committee is fully aware of these faults, but is aware also of the handicaps under which Information Canada has laboured. To paraphrase Winston Churchill's comment on Bolshevism, the critics of Information Canada have maintained that it should have been strangled at birth. Whether or not bureaucratic infanticide should become a recommended method of governmental reorganization is not the issue here. Information Canada was thrust into the mainstream of political controversy from the outset, a burden which few government departments have suffered, and has been subject to intense internal and external pressures ever since.

While it is neither a bureaucratic ogre nor a boondoggle at the taxpayer's expense, it is felt that Information Canada's activities must be regularized and made subject to more stringent controls.

to be blamed for these poor sales of Information Canada's books, but the reasons lie rather less desirable. By no means all Information Canada's development should be made available for sale and perhaps to the Commission. The Company being closely related into public debate, while many of the landscape under which Information Canada has laboured. The parliamentary opposition, Churchill's statement on the debate, the critics of Information Canada have maintained that it should have been strangled at birth. Whether or not Parliament's instincts should become a recognized method of governmental recognition is the issue from Information Canada has been into the mainstream of political controversy from the outset, a matter which has, moreover, repeatedly been affirmed, and has been subject to intense internal and external pressures ever since.

While it is perhaps a bureaucratic agency and unlikely to be the taxpayer's expense, it is felt that information Canada's activities must be scrutinized and made subject to some stringent controls.

CHAPTER II

REGULATION OF INFORMATION SERVICES

Conclusions and Recommendations

The Secretary of State should be given responsibility for all federal government information services and Information Canada should be the agency responsible to him for this purpose.

a) Information Canada should not be a central information agency creating and disseminating all federal government information programs.
b) The various departments of government should continue to operate and be responsible for their own information services, but the Secretary of State, through Information Canada, should regulate and co-ordinate the departmental information activities to achieve an effective overall information service to the Canadian public at the lowest possible cost.

We have already indicated the confusion which arises from too much information from too many sources bombarding the individual who is hard put to absorb it all, much less make some evaluation of it. To say this is not to advocate some extreme on the opposite side, some central information agency which would provide information to the public on a pre-selected, pre-evaluated and pre-packaged basis. Where knowledge and information are the monopoly of the few, the conditions of modern society would ensure that political power would also be concentrated in the hands of the few. Under such circumstances, the majority is barred from effective participation in the organization and running of the State. It does not require the historian's unfailing 20/20 hindsight to realize the implications for Canadian society of such a monopoly.

While it is easy to reach for the club of totalitarianism in order to beat down government initiatives in the provision of information, the issue in Canada is more prosaic. A central information agency providing all kinds of information to all Canadians is less of a threat to the liberties of citizens than it is a threat to efficient dissemination of information.

As The Task Force on Government Information stressed, the characteristics of various political systems and the inter-relationships between government bodies and levels of government have enormous influence on the nature of social communications:

> "The legislative, the governmental, the judicial and the administrative branches of government—through their separate natures, activities and inter-relationships—all determine certain types of the information flow. They condition the flow of information from other sources. The information flow in a federal system is clearly different from the one in a unitary state. In Canada, the open federal-provincial constitutional conference generates a type of information that, in a unitary state, could not exist.
>
> States are becoming increasingly involved in social communications. It is worth remembering that however important the state becomes in this field, it remains one among many participants, and the other participants never stop influencing it".

(To Know and Be Known, II, 15)

Canada's open society leaves no room for an Orwellian Ministry of Truth, and despite the cries of the more extreme parliamentary and press critics, Information Canada is ill-suited to such a role. Until jackboots, torture chambers and the 2 a.m. knock on the door become everyday features of Canadian life, such a notion is absurd. But, as the above quotation indicates, information flows in all directions, from every conceivable source to every conceivable recipient. A central information agency, even for federal activities, would be more likely to produce an artificial and unnecessary bottleneck rather than a rational path to popular enlightenment.

That there is overlapping and waste in the overall information activities of government departments is irrefutable but this does not deny the necessity of having these information activities. Farmers, processors, wholesalers and retailers must know what the Department of Agriculture is up to. Veterans must be informed of the legislation affecting their benefits. All citizens must know how changes in tax policy affect them. One central information bureau may have the superficial virtue of being the ultimate in rationalization, but rationalization is not an automatic guarantee of efficiency. It is more likely that a central information agency would develop along the lines of early models of the universe, with cycles and epicycles of sub-agencies and bureaux established to deal with the multitude of information areas, with the inevitable creation of a ramshackle, unworkable bureaucratic monster.

It is far better, we think, that Information Canada refrain from taking over the public relations and information duties of such large departments as Agriculture or Industry, Trade and Commerce, and concentrate instead on regulating and co-ordinating their activities, with a view to preventing waste of public money and government talent because of duplication of effort and lack of appreciation of the various means of communicating with the public. The departmental knowledge of specialists in the larger government departments is something which Information Canada cannot, and should not attempt to, emulate. Government policies which affect these departments should be explained by the departments themselves, not Information Canada. As the government's expert in the field of communicating information however, Information Canada should have a vital role in showing the departments of government how they may best pass the necessary information to the appropriate audience. It should be made clear to all departments that this is government policy and is not something which is to be left to the discretion of individual departments. At issue here is the question of good management of human and physical resources, rather than the acquisition of technical expertise. Departments are understandably reluctant to bow to the authority of outsiders and Information Canada is very often considered as such by departmental information personnel. If its role is properly defined, however, there would be no need for departmental suspicions about Information Canada. If it is clearly seen to be a co-ordinating and assisting body, rather than a supplanting or absorbing one, the overall information program of the federal government could be carried out with greater efficiency and economy.

To this end, Information Canada must be backed by the authority of a Minister of the Crown who is responsible for all federal government information services. We recommend that this Minister be the Secretary of State whose portfolio responsibilities already include several agencies in the broad areas of culture, education and information.

At the same time the problem of Information Canada's relations with the government of the day should not be minimized. To a certain extent, its independence from political interference is maintained by the hiring of its personnel through the Public Service Commission, and through the nature of its functions. It does not exist to criticize the government's policies, but to put out information about them and to provide citizens with information about federal matters affecting their lives. In this respect it is very different from, for example the Canadian Broadcasting Corporation, which is a Crown Corporation with an information function, but with complete autonomy to criticize the government when it sees fit. But even with a redefined authority as a regulating and co-ordinating body, Information Canada will always run the risk, as it has done in the past, of being regarded as a government propaganda machine. There is little likelihood of this attitude changing, save with time and an objective judgement on its day-to-day operations.

for regulating and co-ordinating their services, with a view to preventing waste of public money and [illegible] effort. Regulation of this kind [illegible] of co-ordination of the various means of communicating with the public. The departmental knowledge of [illegible], however, is, for most departments, [illegible] something which Information Canada cannot [illegible], and should not attempt to regulate. Government policies which affect these departments should be explained by the departments themselves, not Information Canada.

As the government's expert in the field of communicating information, however, Information Canada should have a vital role in showing the departments of government how they may best pass the necessary information to the appropriate audiences. It should be made clear to the departments that while government policy itself is not something which is to be left to the discretion of individual departments, [illegible] here is the question of good management [illegible] rather than the acquisition of technical expertise. Departments are [illegible] to the [illegible] and [illegible] Information Canada is very often considered as [illegible] professional information personnel. If [illegible] properly defined, however, there would be no need for departmental suspicions about Information Canada. If it is clearly seen to be a co-ordinating and assisting body rather than a [illegible] one, the overall information [illegible] of the federal government could be carried out with greater efficiency [illegible].

[illegible] Information Canada must be backed by the authority of a minister of the Crown [illegible] in the field of public [illegible] and information.

At the same time, the problem of Information Canada's relations with the government of the day [illegible]. [illegible] independence from political interference is maintained [illegible] Public Service Commission, and through the nature of its operations. It does not [illegible] the government's policies, but to [illegible] information about them and to provide citizens with information [illegible]. In this respect it is very different from, for example, the Canadian Broadcasting Corporation, which is a Crown corporation with an independent board [illegible]. [illegible] there is little protection [illegible] with time and an objective [illegible].

CHAPTER III

GUIDING PRINCIPLES

Conclusions and Recommendations

The major objective of Information Canada is to improve the quality and efficiency of federal government information services. It should be guided by the following principles:

a) While Information Canada's main function is to regulate and co-ordinate departmental information activities to produce a comprehensive information system, it cannot avoid initiating its own information programs. However, it should keep this activity to a minimum.

b) Information Canada should continually evaluate departmental information programs to ensure that they are employing the most effective techniques to fill the information needs of the public.

c) Information Canada should continually evaluate the cost effectiveness of all information programs and should act to prevent waste and duplication.

d) Factual and useful information on federal policies, programs and services, should be made easily available to the public. It is not the function of information services to cram information down people's throats.

e) While it may be desirable to tailor information to individual, regional and special group needs, the cost of doing this can be disproportionate to the benefit.

We have already expressed our opposition to a central information agency on the grounds that it is not an efficient means of getting information to the people. This, we feel, is not the proper role for Information Canada, although many of its critics claim that it is acting as a central information agency, with more independence than it actually possesses. The Committee considers that as a regulating and co-ordinating agency, Information Canada should de-emphasize its role as an initiator of information programs. An example of such programs was the heavily criticized Automated Information Monitoring Services (AIMS). Although the project never got off the ground, it was proposed that Information Canada create the electronic equivalent of a newspaper clipping service, supplying clients—for a fee—with news items concerning the federal government culled from 76 daily newspapers, eleven AM radio stations and 44 television stations, including the national networks. Quite apart from the fact that such a service would compete with similar businesses in the private sector, Information Canada was on dubious ethical grounds. As editorialists rightly pointed out, workers in communications media would not look favourably on the pirating of their creations by a government agency.

This kind of ambitious scheme really fills no felt need. The only result was to subject Information Canada to further criticism, in this case well merited. This does not mean to say that Information Canada should travel only in well-defined grooves. There are many and varied information needs not covered by existing programs, and they should be continually sought out and pinpointed. For example, changes in government policy with regard to native peoples in the North may have some effect on those in the southern part of Canada too, and Information Canada should be aware of such instances and should ensure that those affected by, or interested in such policy changes, may be fully informed of them by the department concerned. As examples of information of general application successfully furnished by Information Canada, we may cite the publicizing of the Local Initiatives Program which involved the successful co-ordination of the information efforts of approximately ten departments, and the publication of Citizens' Guides which give a capsuled account of subjects of current concern.

Such an approach to supplying information may be less spectacular than an AIMS program, but it is certainly less abrasive and more in line with the ideals of a regulating agency. Similarly there are many "grey areas" of government policy which are not the exclusive responsibility of any one department. External Affairs, Industry, Trade and Commerce, and National Defence may all be involved in some overseas trade negotiations, and Information Canada should work with their information services to produce the necessary information packages without the omissions and duplications which would result if each went its own way.

Very often, there arises a public need for certain kinds of information, to which a department may be slow to respond, or to which a number of departments might respond. For example, public confusion over the energy crisis might have been mitigated by a co-ordinated clear statement from the Department of Energy, Mines and Resources on its implications at some early stage. We feel that Information Canada should be alert to this kind of need, by keeping its finger on the public's pulse. The nation's majority is not necessarily silent, but it does not usually speak with one voice; feedback from the public should be an important concern of Information Canada. Public opinon research is not exactly a primitive science, and Information Canada should employ its techniques and skilled practitioners both to gauge the effectiveness of government information programs and to determine, as far as is possible, the information needs of the public.

Such a professional approach to the public's need to know should enable Information Canada to acquire considerable expertise in the area of information techniques as applied to the Canadian scene, and enable it to build up a store of experience and knowledge of this highly technical field from which all government departments could benefit. At present the cost effectiveness of Information Canada's techniques in this area are extremely dubious. Until the position of Information Canada's role vis-à-vis that of government information services is clarified, the potential for waste, duplication and omission in all government departments remains serious.

With regard to the approach of certain information personnel to their jobs, the Committee was struck by the assumption that their mission was one of education or social service rather than information. This is most clearly seen in the case of the Mobile Officer Scheme which is being tested in Nova Scotia and Manitoba, and which will be dealt with more fully in a later Chapter. While it may be desirable to have direct contact between the Information Officer and his client, the notion that the government has a mandate to go out and thrust information upon people, whether they need it or not, whether they want it or not, is questionable in terms of both cost and communications effectiveness. While the missionary zeal of many Information Canada officers is admirable as an expression of social concern and their desire to communicate directly with the public, it is felt to be wasted effort insofar as the aims of a government *information* agency is concerned. Both the Committee and witnesses from Information Canada agreed that communicating on a person-to-person basis is the least cost efficient means of getting a message across. While there are well-defined groups or regions in the country to which information may be specifically directed, the notion that information must be tailored to suit every conceivable interest should be discouraged. When one considers the enormous variety of interests, opinions, and needs covered by such blanket terms as "youth", "the disadvantaged", "ethnic minorities", "urban dwellers" or "native peoples" it is obviously not realistic to shape information to fit ambiguously defined sub-groups and still keep down costs. Even with the most careful attention to defining such groups and assessing their specific needs, there is no guarantee that an information program will be effective. The Committee feels that, depending upon the requirements of the situation, information programs should be aimed at the widest possible sections of the population.

The failure of Information Canada to cut down on the numbers of information personnel employed by government has been one of the major criticisms levelled at it from the beginning. We recognize the validity of this criticism. We recognize also that if Information Canada's role had been properly defined from the beginning such criticism might have been averted. Expense and proliferation of personnel have been prime concerns in the Committee's deliberations. Our recommendations and conclusions are directed towards the greater rationalization of Information Canada's services, especially in its role as a co-ordinating and monitoring agency. In this role, the Committee realizes that the successful implementation of Information Canada's programs may result in an expansion of the personnel complements of the various Government Departments. However, Information Canada should bring greater consistency to the whole spectrum of government information services and should ensure that any addition to their complements or budgets are fully warranted.

CHAPTER IV

COSTS OF INFORMATION SERVICES

Conclusions and Recommendations

In the Blue Book of Estimates, the cost of information services should be fully and clearly shown for each program of each department and for all government agencies. Treasury Board should publish a definition so that departments will know what items should be included in information services. This definition should be developed for Treasury Board by Information Canada.

Information Canada should act as the agent of the Treasury Board in screening the information budgets of all departments and agencies and advise Treasury Board regarding expenditures on information programs proposed by departments.

One of the more striking features of the testimony given in the course of the Committee hearings was that no one quite knew what information was, at least for accounting purposes. The Blue Book of Estimates for example, does not list information as a separate activity for many departments; in fact only six departments out of approximately thirty listed some form of information services including public relations in the Blue Book as a Program or an Activity supporting a Program, the rest having included information in their Administration Program or having combined it with other activities.

Estimating the costs of government information services has always been a difficult art, due at least partly to the evolving nature of our concepts of information. To arrive at a definition of information which would suit both the acccountant and the professional purveyor or theorizer of information would seem to be a hopeless task. This problem, like so many others, was touched on by the Task Force on Government Information:

> "The main problem lies in the fact that Treasury Board has not required departments to record their information costs separately. Indeed there has been no definition by the Treasury Board of either information or information services; and the departments have, therefore, recorded information costs as they thought appropriate".
>
> (To Know and Be Known, II, 141).

In attempting to find out the costs of information in the federal government, the Task Force issued a questionnaire asking the various departments to list all costs directly associated with their information processes. Many departments could not separate information costs from the total administration budget in which they were included. Some could not categorize their costs (e.g. advertising, public relations) as specified in the questionnaire.

The Committee understands how difficult it is to get at the true cost of government information. Nevertheless we have made an attempt, as follows, to *estimate* the total cost of information to the federal government using the Blue Book of Estimates.

For the Fiscal Year ending March 31, 1974, it is observed that Table 6 (The Budgetary Estimates for 1973/74 by Standard Objects of Expenditure) shows a total of $60.3 million for information for all departments. It is further observed that only four departments in their Administration Programs have shown a separate activity which is purely for information.

Definitions of Activities and Objects of Expenditure can be found in Appendix "D".

The following Table shows the relationship between the information Activity and the Object of Expenditure for information in each of these four departments:

Department	*Activity*	*Object of Expenditure*	*Difference*	*Approximate Percentage of Object of Expenditure Which Represents Difference*
Agriculture	$1,871,000	$1,172,000	$699,000	60%
Consumer and Corporate Affairs	1,737,000	955,000	782,000	82%
Manpower and Immigration	901,000	195,000	706,000	362%
Secretary of State	1,525,000	882,000	643,000	73%

The differences shown between the Activities and Objects of Expenditure in the above Table represent the costs of Objects of Expenditure other than Information. As an example the $699,000 shown against Agriculture would include the costs of one or all of the following applicable to Information Services:

—salaries and wages
—transportation and communications
—professional and special services
—rentals, purchases, repairs and upkeep
—utilities, materials and supplies
—all other expenditures

Excluding the large percentage for Manpower and Immigration the average of the other three departments shown in the Table is approximately 72%. The average percentage for all four departments is approximately 144%. Applying these percentages to the total of $60.3 million shown for information under Objects of Expenditure in the Estimates, the resultant figures come to, in the former approximately $104 million and in the latter $147 million. It should also be borne in mind that these amounts do not include the cost of information services in a number of Crown Corporations not shown in the Blue Book of Estimates.

It is, therefore, concluded that the total cost of information within departments and agencies of the federal government shown in the Estimates, exceeds $100 million and is more likely to be closer to $150 million. If all Crown Corporations not shown in the Estimates were to be included it is our opinion that this figure could be as high as $200 million.

Notwithstanding the difficulties involved in disentangling information costs from general departmental budgets, it is felt that the Task Force's approach is a logical method of identifying information for accounting purposes. The information process is divided into five main categories: advertising, audio-visual, press relations, public relations, publications. This may be rather arbitrary, but so is a financial statement. In any case, the aim is to define information for budgetary purposes. To give a more complete idea of the Task Force's breakdown of the information process, we cite the following:

ADVERTISING includes the preparation and insertion of ads in selected or general publications for promotion purposes; the production of spot T.V. and radio commercials.

AUDIO-VISUAL includes the preparation, production and distribution of radio tapes or T.V. clips (films covering news and feature material) of radio and T.V. shows; the production and distribution of documentary films, motion pictures, video-taped material, slide presentations; the production of transparencies, still photographs and posters; the production and presentation of exhibits and displays.

PRESS RELATIONS include the preparation and distribution of any material intended for the written press; news releases, news feature material, progress supplements; and the operation of a news wire service.

PUBLIC RELATIONS include speech-writing, the preparation of non-political meetings and conferences; the preparation and supervision of visits of foreign journalists or dignitaries.

PUBLICATIONS include the preparation, production and distribution of annual reports, of scientific and technical publications and of some regulatory or instructional publications for internal or external use.

OTHER MEDIA include salaries and all other direct costs which the departments and agencies were not able to allocate to the other headings.

In view of the amount of money involved in this important area, it is considered that the cost of information services be included separately in the Estimates for each department, and this can be done by showing it as a Program or an Activity supporting a Program.

It is also realised that before this can be done, it would be necessary that a definition of information services be prepared before departments could estimate their requirements in this area. It is considered that this definition should be developed for Treasury Board by Information Canada, using the Task Force's breakdown, mentioned in the penultimate paragraph as a guide.

The power of the purse being perhaps the most persuasive means of control over government activities, Treasury Board must loom large in any departmental reckoning of information expenditures. Once the cost of information services is broken out as a Program or an Activity supporting a Program, within the Estimates, a role which Information Canada should be given to assist it in its regulating and co-ordinating function of federal information services, would be to act as an agent of Treasury Board in screening these departmental information budgets before they go into the Estimates. This screening process would ensure that departments were not over-spending in hardware which was already available elsewhere, duplicating programs or projects, creating a group to perform a function which can be better handled by another department and/or Information Canada, and that Treasury Board would be advised by an independent and knowledgeable body on matters pertaining to information.

We would add that, as a further guarantee of fiscal responsibility, Supplementary Estimates should not be used unless some emergency initiative on the part of the government necessitates the launching of a particular information program.

CHAPTER V

MOBILE INFORMATION OFFICERS

Conclusions and Recommendations

The Mobile Information Officer program appears to the Committee to have developed into a social welfare service. As an information service it is extremely expensive on a per capita basis and as an information evaluation service it leaves a great deal to be desired. As it has a potential for excessive growth it should be discontinued.

At present, the Mobile Information Officer schemes, begun in Manitoba and Nova Scotia, are pilot projects designed to test the feasibility of extending the services of the enquiry centres beyond their centres of operations in the cities. This involves investigating the need for such services, and Information Canada has conducted extensive enquiries in those regions to that end. The Mobile Officers' functions, as Information Canada sees them, are to:

1. Act as referral points in the less-informed areas.
2. Convey departmental program information into these areas.
3. Create additional outlets for departments by tapping community resources and local media.
4. Support departments with offices in these areas.
5. Keep departments informed about developments in areas of interest to them.

6. Advise Information Canada senior Regional Officers about the area information needs.

These categories are not rigid; Information Canada admits that some departments may not use any of these services, while others may require services not listed. The aims of the Mobile Officer Scheme are summarized in another Information Canada document:

> "The mobile officers are an attempt to make federal government information relevant to localized situations. There is no gimmickry, like expensive audio-visual equipment involved. It is face-to-face dialogue for the most part. On a larger scale, the mobile officers will help create links between federal departments and the communities/areas in which they work. They will try to identify community information needs. They will advise Information Canada regional staff on developments requiring special information programs. Lastly, they provide federal departments with information capability in areas previously by-passed. These officers, it is important to add, will be attempting to utilize and support existing community resources, such as libraries. Ultimately a local network should be formed and the mobile officer able to move on to a new area".
>
> (Information Canada Regional Mobile Projects, 1973)

The program is certainly innovative and ambitious and has attracted some very dedicated and industrious people to the ranks of the Mobile Officers. Yet, if any aspect of Information Canada's operations aroused the concern of the Committee, this was it. The concern was profound and at the same time regretful. It was obvious that the Mobile Officers were sincere and hardworking, but it was felt that what they were doing was furnishing little information and performing instead social welfare tasks. This is not the purpose of Information Canada. We will resort once more to Information Canada's words. In an addendum to a report prepared by the Senior Regional Officer for the Atlantic Region, several items illustrating the activities of Mobile Officers were presented. A selection follows:

> "Mobile Officers are frequently directed by municipal councillors to problem areas in their districts, as they feel the Mobile Officer is in a better position to answer questions than they are themselves".
>
> "A Public Health nurse was overheard telling some people how valuable Information Canada is to her. She can now give more attention to medical problems, referring her clients' other problems to the mobile officer. This previously took a good deal of her time. The mobile officer frees her to devote more time to her specific area of responsibility, and also serves her clients better as he is able to speed up the process by which they receive CAS, UIC, Workmen's Compensation, Social Assistance, etc.".
>
> "Mobile Officers are extremely active as liaison between citizens and various levels of government. For example, one mobile officer is currently involved in: setting up meeting between NFB producer interested in filming senior citizens in black community and a key person in such a community; setting up liaison between a funding agency and community needing funds; setting up meeting of school principal and Secretary of State".

C'est magnifique, mais ce n'est pas l'information. That there are real social needs to be met all over Canada is a truism, but the job of solving them is not the responsibility of Information Canada. There seems to be, among the Mobile Officers, a great deal of confusion over their role, which is not that of counselling people about social problems, but only the furnishing of information. Some of this confusion may be due to the educational and occupational backgrounds of these officers. Most of those in Nova Scotia have a social service background, but the Manitoba officers have a greater proportion of people with experience in communications.

Nevertheless it was strongly felt by the Committee that Information Canada is treading on dangerous ground by undertaking this kind of job. Despite the protestations of Information Canada that the mobile officer's main task is the creation of information networks which can be used on a continuing basis, and that such a process would lead to the eventual liquidation of the Mobile Officers' position, the Committee considered that the likeliest outcome of the program would be a situation of permanent dependency of clients on the Mobile Officers, and an uncontrollable proliferation of the whole scheme. With the best intentions and the best personnel in the world, self-liquidating schemes rarely turn out that way, especially if financed by the inexhaustable "Horn of Plenty" which is the taxpayer's pocket. Even in the most hopeful forecast, that of Information Canada's Director General, the dangers of excessive growth are obvious:

> "We operated the mobile units in Nova Scotia and Manitoba for about $200,000—plus, I suppose, some support from the headquarters, which might increase this to $250,000-$260,000; and instead of twelve man-years perhaps fourteen to sixteen man-years, if we use the back-up. We feel that to operate in the whole of the Atlantic and Prairie regions, that is, seven provinces instead of two, including Labrador, would cost in the next fiscal year, because it will be a phased-in operation, in the neighbourhood of $550,000 and about 40 man-years in actual usage of man-years. But by the end of the fiscal year, we would have 51 mobile officers and back-up people, and the yearly cost would be, at that time, about $750,000—that is, to service seven provinces and Labrador".
>
> (Proceedings, 9 : 7)

Costs could be kept under control only if the self-liquidating feature of the scheme could become a reality, and the Committee sees no likelihood of bureaucratic *hara-kiri* in this case. The Director of Regional Operations has himself said that disposing of the project will be difficult to do in some areas (Proceedings 9 : 23). Again, the objection was raised that this kind of one-on-one counselling service is an inherently expensive way to convey information (if counselling is regarded as an aspect of the information function). As a means of evaluating government information programs it is, to say the least, unscientific, being prone to all the emotional and cultural bias which is an inescapable feature of close involvement in the subject. To repeat, social service is not the function of Information Canada.

The response of community organizations to the Mobile Officer scheme was very favourable, however, and the Committee is of the opinion that Information Canada should encourage the use of local groups and facilities as much as is consistent with the aims of an information agency. Community information centres, libraries, church groups, etc., should be repositories of government pamphlets and should be a source to which people can turn for initial information on government policies, programs and services, supplied regularly and routinely by Information Canada through the use of mail and/or telephone facilities. These local organizations should, in turn, be encouraged to make maximum use of the Enquiry Centre in their area.

CHAPTER VI

REGIONAL OFFICES

Conclusions and Recommendations

The Regional Offices of Information Canada are useful when associated with book stores and Enquiry Centres. Beyond this the function of the Regional Offices should be to evaluate the effectiveness of all departmental information programs in the various regions.

a) The number of Regional Offices should be limited to Halifax, Montreal, Toronto, Winnipeg and Vancouver.

b) The regional evaluation of departmental information programs should be largely carried out by survey and wherever possible private surveying firms' services should be utilized.

We have already dealt with the question of Mobile Officers, and we hasten to point out here that the Mobile Officers are just one part of Information Canada's Regional Operations, which includes both book stores and enquiry centres as well. These latter aspects will be dealt with later.

Regional Operations include also research into the information needs of the public in the various regions, and evaluation of government information programs. The Committee agrees that this work should continue, with the regional offices co-ordinating the work of the departmental information services in their respective areas. The regional offices, however, should not be allowed to proliferate but should be based in the cities of Halifax, Montreal, Toronto, Winnipeg and Vancouver.

In this way, the number of people required to run Information Canada's regional operations should remain relatively low, and their main function should be to evaluate the effectiveness of government information programs and make suggestions for improvements. The regional offices should employ survey techniques wherever possible to carry out this function (which would be periodic rather than continuous) and should make use of private surveying firms for this purpose, on the grounds that employment of regular staff for this purpose would be uneconomic.

It would be relevant at this point to emphasize that using Mobile Information Officers as a means of gauging citizens' feelings about government programs is not necessarily the most efficient way of performing this function, on the grounds that human biases would inevitably undercut whatever validity their objective observations contained, and that the sample of opinions obtained would be insufficient for any quantitative judgement: unless, of course, an enormous number of Mobile Officers were employed, in which case the cost would be prohibitive.

CHAPTER VII

ENQUIRY CENTRES

Conclusions and Recommendations

One of the most successful functions undertaken by Information Canada is its Enquiry Service. This service should be improved by being based largely on telephone contact.

a) The number of Enquiry Centres should be limited to the six existing and the five planned. This would mean that there would be Enquiry Centres in each of the ten provinces with an additional Enquiry Centre in Ottawa.

b) The enquiry service should be organized so that a citizen may make a telephone enquiry to the appropriate Enquiry Centre at no charge to the citizen. The Enquiry Centres should be equipped with staff and material to give the citizen the answer to his question or refer him to the appropriate source. The telephone number should be advertised as widely as possible and should be included in a prominent place in every phone book and post office.

c) The news media should be invited to publicize, as a public service, the Information Canada Enquiry Centre in each province.

The Committee considers the enquiry service to be among the most valuable and potentially the most significant aspect of Information Canada's operations, from the point of view of effective contact between Canadians and the federal government. A brief look at the most significant statistics of the Enquiry Centres' operations will reveal the importance of the operation.

According to Information Canada's report for the fiscal year ending March 31, 1973, the Book Stores and Enquiry Centres handled 355,080 requests for information. The average time required to answer a telephone enquiry was 8.9 minutes, while the response to written enquiries took an average of 7 days. Forty-nine percent of these queries could be answered in two minutes or less. The Committee was informed by Information Canada that of the 355,080 enquiries, 196,193 were handled by Enquiry Centres alone during the period 1972-73, broken down as follows:

Centre	*Telephone*	*Letters*	*Walk-Ins*	*Total*
Halifax	1,350	120	320	1,770
Montreal	45,026	629	1,033	46,688
Ottawa	38,838	29,488	3,620	71,946
Toronto	31,158	424	3,789	35,371
Winnipeg	22,473	714	2,794	25,981
Vancouver	14,437	—	—	14,437
Total	153,282*	31,375	11,536	196,193

* The majority of these telephone enquiries were local calls since neither the Zenith nor the INWATS Systems were in operation—see pages 27 to 28.

It is evident that public response to the Enquiry Centres is highly favourable. What is most notable about the public's use of the centres is the very high proportion of telephone enquiries. The Committee considers this proportion of extreme significance and strongly endorses the development of this particular means of informing the public. Information Canada will add five new centres in Alberta, Saskatchewan, New Brunswick, Prince Edward Island and Newfoundland, a move which the Committee considers favourably, as extending rational use of Information Canada's facilities to each of the ten provinces. The Enquiry Centres should be encouraged to maintain liaison with the provinces so that enquiries concerning provincial matters may be suitably re-directed.

The research staff of the Committee tested the Enquiry Centres by telephoning queries to the six Centres. The enquirers did not reveal their identity. Some of the questions were simple and required brief answers. Others were more complex and required a little more initiative on the part of the Enquiry Centre personnel. In almost every case, the calls were handled in a helpful and pleasant manner and the answers were, in the majority of cases, correct. The few exceptions, it was felt, could have been the result of inexperience or lack of training, and these are easily corrected faults.

Prior to the installation of the Enquiry Centres, the citizen had to find his own way through the maze of federal departments and agencies. The Enquiry Centres are a most efficient and logical way out of this maze and their use should be encouraged to the maximum.

As a corollary to its approval of the Enquiry Centres' function, the Committee looks with favour on the adoption of some form of telephone service to make Information Canada's facilities even more widely available. In this conclusion, we were encouraged by the experience of Revenue Canada, Taxation, which made use of Zenith facilities during the 1973 tax return filing period. Revenue Canada began making the arrangements to employ the system in June 1972, and it went into operation throughout Canada on January 2 of the following year. The Government Telecommunications Agency acted as Revenue Canada's intermediary with the Trans-Canada System. Revenue Canada considers the Zenith service to be worthwhile, as indicated by the decrease in errors on 1972 tax returns, and is continuing the service.

Going by the experience of Revenue Canada, the operation of the system is not complicated. A caller simply dials the nearest long-distance Operator and asks for the Zenith number. The Operator completes the call by dialing the number designated for that particular Enquiry Centre. The caller is then connected with an enquiry officer assigned to the Zenith position.

All accounts for Zenith service, listings and toll charges, are sent to Trans-Canada Telephone System in Ottawa, which bills the Government Telecommunications Agency, which in turn would bill Information Canada, adding an overhead fee which finances continuing activity to minimize the cost per call and ensure adequate access lines are available.

The Government Telecommunications Agency supplied the Committee with figures on the estimated cost of a Zenith service for Information Canada. These will be found in Appendix "A" to this report. Taking the estimated yearly cost of a Zenith system for the whole of Canada, approximately $360,000 (Appendix "A"), and adding to this the cost of 36 enquiry officers to handle the local telephone lines required (Appendix "A" page 44) which would amount to an estimated annual cost of $310,000, the total would come to $670,000. This may be compared with the Director General, Information Canada's estimate of the yearly cost of a Mobile Officer Scheme in seven provinces and Labrador: $750,000.

We also received from the Government Telecommunications Agency figures showing the advantage of using another system called INWATS in provinces where this service is available, because it can be more economical. INWATS is a one-way incoming type of long distance service allowing a customer to receive calls from designated areas at no charge to the originating caller. Most INWATS will be dialed by the calling party but where Direct

Distance Dialing is not available, calls to INWATS may be placed through an operator. The cost of a Zenith system increases with the increase in the number of calls and the length and distance of each call. At a certain point this cost will usually exceed that of a full time INWATS circuit which has a maximum cost for an unlimited number of calls for an unlimited time within the capacity of that circuit.

Appendix "B" gives a comparison of costs between province-wide Zenith service and province-wide INWATS service, where offered, using the present estimate of the number of calls per month and also showing the comparative costs when the number of calls are expanded by 200 and 300 percent. In Appendix "C" it is shown that a combination of Zenith and INWATS installed across Canada would cost approximately $309,000, which added to an estimated cost of 38 enquiry officers amounting to $325,000 would total $634,000. This combination we recommend.

It is acknowledged that the costs of whatever system is installed will increase, partly due to the growth of population and the inevitable toll of inflation, but mostly as a result of the use made of the system by Canadian citizens which would be tied directly to the public's need for information.

While the use of a telephone system will almost inevitably have its teething troubles, run-away costs will not be one of them. There will be, of course, a one time initial cost for facilities to accommodate the additional enquiry officers to handle this system, which would not be excessive. At some point in the future when the volume of traffic warrants it the possibility of a flat rate for unlimited calling should be looked into.

Information Canada would receive from the Government Telecommunications Agency advice regarding which system is more economically feasible in any given situation, as well as continuing financial and technical management of the service.

We would recommend that the Information Canada telephone number be printed in the front of every telephone book. To many people the prospect of writing a letter to officialdom is uninviting, and presenting oneself to a bureaucrat in order to obtain information is even more intimidating. Seeking information by telephone is an anonymous process, it is faster, and it is much less inhibiting to those whose standards of literacy make written communication difficult. We would add, however, that the training of Enquiry Officers should emphasize both sympathetic handling of genuine calls for government information, and firmness in turning away frivolous enquiries.

It may take a little time for the people to become completely acquainted with the idea of telephoning long-distance for government information, but because of its costs being more directly attributable to the public's needs and the nation-wide coverage possible, the Committee feels that this is the most economical way of reaching the majority of citizens outside the major metropolitan centres, without becoming involved in social welfare work. The fact that having a combined Zenith and INWATS system which will require different numbers in various provinces is a relatively minor disadvantage compared with the savings in cost. We expect the system to be given wide publicity through telephone directories and through the print and broadcast media, which should be invited to publicize frequently the local Enquiry Centre address and telephone number, as a public service.

To maintain the efficiency of the Enquiry Centres it follows that their back-up service should continue to be developed to cope with the increasing public demand for information. Indexing and cataloguing of published government information material should continue, in accordance with the needs of the Enquiry Centres to convey available information to citizens in the most attractive and efficient manner possible.

CHAPTER VIII

COMMUNICATIONS SERVICES

Conclusions and Recommendations

We endorse the activities of the Communications Services Branch and recommend that in developing information programs, Information Canada should not overlook the value of making use of the private sector especially if this results in costs savings through reducing the need for permanent personnel.

The Communications Services Branch of Information Canada has a busy and very helpful schedule of activities. In the Annual Report for 1972-73, Information Canada described the Branch's activities in general terms as:

> ". . . providing personnel and resource assistance on request to other government departments and agencies and to other sectors of Information Canada, to help them develop or implement information programs; co-ordinating the information aspect of programs involving more than one department; and initiating original projects designed to increase citizens knowledge of federal programs and services".

In the area of professional assistance to other departments of government, Information Canada helped to prepare for the Commonwealth Heads of Government Meeting in Ottawa in August 1973, by supervising the initial design requirements for publications and other printed materials for distribution to delegates and media representatives, and co-ordinated the installation of an enquiries kiosk, an Information Canada book store and film-viewing facilities in the media centre. Other projects included the preparation of a campaign to advertise the federal government's official languages policy, and assisting the Chief Electoral Officer to inform the public about its rights and obligations under the Canada Elections Act before the federal election of October 1972.

These projects involved departments without information facilities of their own. Other projects required Information Canada to provide additional assistance and expertise to those departments which already had information services. Treasury Board requested and received help with the preparation of background material for the 1972 budget and with the design of the 1973/74 booklet "How Your Tax Dollar Is Spent"; the Secretary of State's "Summer '72" program for Canadian youth was materially aided by Information Canada officers and the Department of External Affairs requested a comprehensive list of all sources of scientific and technical information in Canada, both private and governmental, for the Agence de Cooperation Culturelle et Technique.

The Branch was also involved in projects which crossed departmental lines, including the co-ordination of information programs for the 23rd Congress of the Permanent International Association of Navigational Congresses in Ottawa in July 1973, and the Federal Identity Program which introduced the "bar and leaf" symbol identifying federal government departments, agencies and crown corporations.

The Communications Branch is, therefore, a very worthwhile part of Information Canada's overall activities and provides a working example of what we mean by regulating and co-ordinating departmental information activities as described in Chapter III. It is this kind of activity rather than the initiation of projects which should be Information Canada's main raison d'être.

In many areas, however, we would recommend that the private sector be enlisted in the interests of keeping both costs and staff at a minimum. For example, if it were found that a certain government program was failing to reach a particular segment of the population for some reason, it would obviously be uneconomic to assemble an investigative force to find out that reason, and then disband it when the problem is solved. Better by far to contract with suitable agencies in the private sector to handle such contingencies as they arise, rather than encourage empire building at public expense.

To a certain extent, Information Canada has farmed out some of its tasks where a local organization was already in place to carry them out, and has provided finncial and back-up assistance.

There are many situations which call for government action in the information field, but we say again: when there is no obvious need for a permanent government presence, where the problem is of a short-term, specific or purely local nature, then common sense, as well as fiscal responsibility, dictates the use of short-term or localized means.

We would extend this recommendation to include all departmental information services; where it makes economic sense, the use of private agencies should be given the most careful consideration.

CHAPTER IX

EVALUATION OF PRIVATE AGENCIES

Conclusions and Recommendations

Before private agencies are used by government departments, it should be necessary to have the approval of Information Canada which should develop a method for evaluating such agencies in relation to the service required of them.

The Committee has indicated that there are many occasions and circumstances in which use of private sector facilities may be justified on the grounds that better, or more economical service may be rendered by private agencies than by a government department. Resort to private sector facilities, however, carries the danger of political abuse and Information Canada must be constantly aware of this. Firms engaged in such fields as advertising and public opinion surveys often have links with governments and political parties. To forestall accusation of political patronage or favouritism, as many agencies as possible should be used, consistent with government requirements regarding suitability and competence. In utilizing the private sector, Information Canada should clearly define specific objectives, and request from the private sector concrete proposals for attaining the stated goals, together with firm cost estimates. Criteria for evaluation should be disclosed and made known at the time presentations are invited.

A survey quoted by The Task Force on Government Information has not lost its validity in the past few years:

> "Patronage is the main basis of selecting advertising agencies to work for government departments and agencies . . . . . It is based on returning a favour for

a favour. Advertising agencies help a political party and some of its leading figures during election time. If the party is returned to office, the agencies concerned are given a share of the advertising business of the government. Some advertising agencies which have large government accounts do not quite approve of this system, preferring to be chosen on a merit basis rather than getting the business via the proverbial pork barrel."

The government still comes in for criticism when its departments contract with private agencies without evaluation of their presentations, and justifiably so. The taint of patronage still clings to such arrangements, no matter what the probity of the Minister involved. It would seem to be in the best interest of all concerned if Information Canada were given the job of assessing the suitability of private agencies for particular departmental needs, and evaluating the service they provide. It is an area of activity which should bring Information Canada's co-ordinating role to the fore, provided it is done professionally, rationally and with visible integrity.

CHAPTER X

PUBLISHING

Conclusions and Recommendations

We generally endorse the activities of the Publishing Branch of Information Canada, but make the following observations:

a) The present six bookstores appear to be functioning well and should be continued. However, due to the high costs associated with these bookstores we endorse the decision not to open any more, but to market government publications through authorized agents.

b) We believe that the wide distribution of government publications is a highly important public service. Therefore Information Canada should continually monitor the authorized agents to ensure that they are making government publications easily available to the public.

c) We recommend that Information Canada publicize in the various media the availability of government publications through its bookstores, authorized agents and a highly efficient mail order system.

d) Information Canada's function of regulating departmental information services should extend to the make-up of government publications and their distribution to the public. Special attention should be given to the volume of publications which are now distributed free by government departments to recipients who, in many instances, have no interest in them. This practice should be drastically curtailed.

The bookstores run by Information Canada in Halifax, Montreal, Ottawa, Toronto, Vancouver and Winnipeg are a popular and essential feature of its Publishing Branch operations. Recognizing this to be so, the Committee approves their continuation. We approve equally the decision to call a halt to the opening of additional bookstores, the costs of renting facilities in prime locations having proven prohibitive. We would interject here a suggestion that in the interests of watching costs, the leases on these facilities should be re-assessed when they expire. Apart from the six Information Canada bookstores in existence, marketing of publications is being done through authorized agents. These are private commercial book sellers who are given a discount for government publications in return for displaying them as part of their regular bookstore program. According to the 1972-73 Annual Report, 50 book sellers had signed contracts with Information Canada, and it is expected that about 125 will have signed up by the end of March 1974. Book sellers who are not authorized agents are also encouraged to sell Information Canada publications through the use of discounts on orders (although smaller than the discounts offered to authorized agents). The books are sold to all dealers, rather than consigned, which means that financial losses through failure to sell effectively to the public are absorbed by the dealer not Information Canada.

At present, receipts from Information Canada are destined for the Consolidated Revenue Fund. From April 1, 1974, Information Canada hopes its publishing and distribution activities will be placed on a cost-recovery basis using a revolving fund. This will make this activity virtually self-supporting and more business-like as it will be operating on a commercial basis, thereby better identifying all costs and inherently having to be more efficient in order not to show a loss in its operation.

In the fiscal year 1972/73, government publications generated some $4 million in revenues. This represents a healthy demand on the part of the public for information for which it doesn't mind paying. Whether the publisher is a private firm or Information Canada, books and pamphlets of interest to Canadians are saleable items and it is refreshing to see the taxpayer voluntarily hand over a few dollars to the government for services rendered. The fact that said taxpayer is making a choice and receiving something material for his money may have more than a little to do with it. At any rate, Information Canada is obliged to see that this particular service is performed as fully and efficiently as possible. The Committee recommends that authorized agents and book sellers carrying government publications should be monitored to ensure that they are adequately promoting these publications and that they have current items in stock at all times. This has not always been the case, and it is felt that Information Canada has not been sufficiently aggressive in promoting its publishing wares.

Information Canada could materially aid in promoting its publications by broad-spectrum advertising. This could take the form of regular advertising slots listing current government best sellers, e.g., tax laws, economic advice to farmers, items of cultural interest. Such advertising should stress the availability of these items, naming the book stores and authorized agents and also indicating how they may be purchased through mail order and by credit card. Needless to say, in this kind of direct dealing with the public, speed and efficiency should be the keywords of the operation. Information Canada has improved considerably in this area in recent months with the help of outside consultants, and we expect such improvements to continue as the organization becomes more thoroughly professional. We would add, however, that Information Canada should avoid special campaigns for the promotion of individual books, as this can often involve unwarranted expense.

This professionalization, we feel, should extend also to the physical make-up of government publications. The Task Force on Government Information reporting in 1969 commented on the:

> ". . . . . lack of any design concept among government information divisions; the use of too many type styles within one publication; unjustified use of a great range of formats; inconsistent use of departmental credit lines; uneven printing; improper choice of paper; plain 'poor layout', the use of colour and photographs for mere decoration rather than communication; and a chronically unimaginative approach to solving the problems of communication."
>
> (To Know and Be Known, I, 22)

There has been some improvement since then, the Task Force Report TO KNOW AND BE KNOWN being itself a rather exuberant marriage of lively style and sober, logical format. Information Canada should be in a position to bring expertise in this area to government publications, helping them to prepare reports and surveys in a readable, logical style, cutting out frills in the use of expensive papers, colour photographs, excessively ornate covers, etc., and should assist in the distribution of these publications to their appropriate readership.

We commend the current practice of free distribution of selected government publications to libraries. This is a relatively inexpensive and logical means of reaching the public without forcing unwanted material on it.

Certain publications of general application, of vital necessity to the public understanding should continue to be distributed free to the public by government departments, especially in the areas of emergency legislation, public health and personal taxes; it is the public which pays ultimately, one way or the other.

Communications between government and customers for information have come a long way since the briefing and press release. This is a development which is often little appreciated by government departments. Complaints are still heard about the massive quantities of government verbiage dumped indiscriminately on the desks of Senators, Members of the House of Commons, editors, officials and other individuals who have not the faintest interest in the subject matter treated. To pass unread documents from government department to customer to scrap paper collection centre may represent the ultimate in recycling, but that is not why so many information officers are put to work in producing government information. We feel the current practice of some agencies of sending out, at regular intervals, check lists of new government publications, arranged according to subject matter should be given universal application as it would be more sensible and economical. The onus then would be on the recipient to order publications of interest to him.

CHAPTER XI

RADIO AND TELEVISION, PERSONNEL, EXPOSITIONS

RADIO AND TELEVISION

Conclusions and Recommendations

Government departments often tend to base their information on the printed word and to ignore the effectiveness of radio, television and audio-visual aids. Information Canada should become highly experienced in the latest audio-visual techniques and should advise departments on their use.

More extensive use should be made of the techniques spawned by the electronic age. Information Canada should encourage the departments to put across their message by sight and sound, as well as on paper. The idea was expressed succinctly by The Task Force on Government Information:

> "One of the sadder difficulties that have afflicted the federal information services is that departmentalization has applied to their efforts not only in the obvious sense of the loyalties in the assorted government departments but also in a rigid mental separation of the tools of communication. The answer lies in some new sort of administrative machine to bring about an integrated approach to dealing with the Canadian publics of our time."
>
> (To Know and Be Known I, 31, 32)

The Report might have been defining a role for Information Canada, which has already shown an appreciable grasp of the importance of visual and aural aids to communication through its Expositions Branch. Several witnesses at the Committee hearings testified that the departments often turned to Information Canada for advice and facilities in connection with audio-visual displays at fairs and exhibitions. With regard to such presentations, these can involve the National Film Board as well as Information Canada and the department concerned. We feel that this is one more co-ordinating role. We should even go beyond this and say that as a service to departments of government, Information Canada should become the repository of expertise and equipment in the audio-visual field and should maintain both its personnel and its hardware at the highest possible level of efficiency. We add the cautionary proviso that Information Canada should not go on an electronic binge at the taxpayer's expense. As provincial governments and educational institutions have discovered, in recent years, an enthusiastic embracing of the latest in audio-visual technology is both expensive and useless if no one knows how to operate it efficiently and its potential audience does not understand the message being put across.

It is, however, an area in which Information Canada should come to be acknowledged as a leading authority, and the recognized source of audio-visual expertise for the entire range of government information services.

PERSONNEL

Conclusions and Recommendations

Information Canada should not become a source of information personnel for government departments but should advise government departments on the qualifications required of information personnel and the methods of evaluating their performance.

The Committee feels that Information Canada should not be a training ground or apprenticeship course for government information personnel. We stated in an earlier Chapter that Information Canada must avoid like the plague the role of a central information agency. Such a role would lend credence to the taunts of "Propaganda Canada" which critics have too often delighted in hurling at it. Its personnel role should be more strictly limited to advising government departments of the necessary qualifications and standards required of information officers in particular positions.

As a corollary to this, Information Canada should also develop means and procedures for evaluating the performance of information personnel, with a view to improving the quality of the information emanating from the government. Quantity we already have, and it is in many cases self-defeating as too often the message is buried in the tedium. With all the resources and opportunities at its disposal, government can surely afford and attract a high calibre of information officer. It should be Information Canada's job to maintain that calibre.

EXPOSITIONS

Conclusions and Recommendations

We endorse the activities of the Expositions Branch of Information Canada.

The Expositions Branch is performing a very valuable service in creating and presenting exhibits, both in Canada and abroad, according to the needs and specifications of government departments and agencies. In the fiscal year 1972-73, the Expositions Branch created 153 exhibits, three-fifths of them domestic, the remainder international, and won several awards for posters, graphic and exhibit designs. Major overseas exhibitions to which Information Canada contributed were the Canadian Trade Exposition in Peking and the Third Annual Asian Fair in New Delhi; while at home, Information Canada personnel worked on the exhibits for the RCMP Centennial celebrations.

The Phototheque Service of the Expositions Branch maintains a collection of over 300,000 still photographs and aids government departments with photographic assignments. In addition, a photostory service—Fotomedia—is used by newspapers and magazines at home, and many stories are sent abroad by the Department of External Affairs.

We might point out that Information Canada did the Canadian public a valuable service in virtually rescuing much of Canada's pictorial heritage from limbo, cataloguing it and making copies of photographs available to both the public and the private sector.

EXPOSITIONS

Canadian Government Exhibition Commission

We endorse the activities of the Expositions Branch of Information Canada.

The Expositions Branch is performing a very valuable service in designing and preparing exhibits, both in Canada and abroad, according to the needs and specifications of government departments and agencies. In the fiscal year 1972-73 the Expositions Branch created 459 exhibits: 194 of these for home showing, the remainder international, and [illegible] for posters, graphic and exhibit design. Major overseas exhibitions to which Information Canada contributed were the Canadian Trade Exposition in Peking and the Third Annual Asian Fair in New Delhi, while at home Information Canada personnel worked on the exhibits for the RCMP Centennial celebrations.

The Photothèque Service of the Expositions Branch maintains a collection of over 200,000 still photographs and aids government departments with photographic assignments. In addition, a photostory service—[illegible]—is used by newspapers and magazines at home, and many stories are sent abroad by the Department of External Affairs.

We might point out that Information Canada did the Canadian public a [illegible] service in recently making much of Canada's pictorial heritage [illegible] available to both the public and the private sector.

APPENDIX "A"

ZENITH SERVICE — PROJECTED COSTS

SUMMARY

Proposal	Provide a nation-wide Zenith Service arrangement for Information Canada purposes.	
Total Monthly Costs.............	Local telephone facilities............$	625.00
	Estimated Zenith call costs........	24,465.00
	Directory costs.............................	4,850.00
	Total per month..........................$	29,940.00
	Non-recurring costs (Est.)..........$	500.00
Total Yearly Costs................	$29,940.00 × 12.. ....$	359,280.00
	(Rounded to $	360,000.00)

NOTE 1—Separate local telephones are needed to answer incoming Zenith calls to the extent indicated on page 44. Costs for related staff to handle calls to these telephones would be in addition to costs shown above.

NOTE 2—Directory costs shown include $1,700 per month for a second bilingual listing.

MONTHLY COST DETAILS AND ASSOCIATED ASSUMPTIONS

Place	*Estimated Monthly No. of Zenith Calls*	*Local Telephone Lines Needed to handle Zenith Calls*[1]	*Monthly Cost for Local Lines*[2]	*Estimated Costs for Zenith Calls*[3]	*Monthly Costs*
To St. Johns	203	2	$ 50.00	$ 746.03	$ 796.03
To Charlottetown	45	1	22.50	165,38	187.88
To Halifax	289	3	45.95(G)	1,062.08	1,108.03
To Moncton	290	3	48.75(G)	1,065.75	1,114.50
To Montreal	1,636	6	108.75(G)	6,012.30	6,121.05
To Toronto[4]	1,639	6	108.60(G)	6,023.33	6,131.93
To Winnipeg	223	2	29.60(G)	819.53	849.13
To Saskatoon	390	3	35.65	1,433.25	1,468.90
To Edmonton	607[5]	3	47.80(G)	2,267.48	2,315.28
To Vancouver	632[6]	3	61.15(G)	2,285.85	2,347.00
To Ottawa[4]	703	4	65.75(G)	2,583.53	2,649.28
Zenith Directory Listings					4,850.00
Totals			$624.50	$24,464.51	$29,939.01

[1] Assumes same average call holding time, i.e. 9 minutes as for local enquiry calls.

[2] Includes 25% for auxiliary gear and where amount is suffixed by (*G*) includes GTA local shared costs.

[3] Assumes average estimated cost per call of $3.50 based on average holding time and number of offices concerned.

[4] Ontario Zenith calls assumed at 70% to Toronto and 30% to Ottawa.

[5] Includes NWT Zenith calls.

[6] Includes Yukon Zenith calls.

DEVELOPMENT OF ZENITH CALL VOLUME ESTIMATES

*Provincial Population**		*Population in Free Calling Area*	*Zenith Population*	*Estimated Monthly No. of Zenith Calls*
Nfld.	541,000	135,028	405,972	203
P.E.I.	115,000	25,869	89,131	45
N.S.	805,000	227,642	577,358	289
N.B.	652,000	73,022	578,978	290
P.Q.	6,081,000	2,809,045	3,271,955	1,636
Ont.	7,939,000	3,255,374	4,683,626	2,342
Man.	998,000	553,434	444,566	223
Sask.	908,000	129,532	778,468	390
Alta.	1,683,000	507,788	1,175,212	588
B.C.	2,351,000	1,108,329	1,242,671	622
Yukon	20,000	—	20,000	10
N.W.T.	38,000	—	38,000	19

NOTE: From an existing no charge national info service it has become apparent that for local calls the density of calls per unit of population is five times that of Zenith calls.

This calling ratio of 1 per 520 population on local calls would translate into 1 per 2,600 population for Zenith calls. We have chosen 1 per 2,000 to be conservative on this estimate.

*Per Miss Rooney, Statistics Canada January 16, 1974.

DEVELOPMENT OF THE NUMBER OF CALLS EXPECTED FROM A UNIT OF POPULATION

	Population 1973 Projection (Plus 2.438% over '71) [1]	*Recorded Average Local Calls Per Month Apl. to Nov. 73* [2] *(according to Information Canada Records)*	*Projected and Recorded Average Local Calls Per Month 1973*
St. Johns	135,028	N/A	260
Charlottetown	25,869	N/A	50
Halifax	227,642	413	413
Moncton	73,022	N/A	141
Montreal	2,809,045	4,230	4,230
Toronto	2,791,116	2,376	2,376
Winnipeg	553,434	2,443	2,443
Saskatoon	129,532	N/A	250
Edmonton	507,788	N/A	977
Vancouver	1,108,329	2,551	2,551
Ottawa	464,258	3,312	3,312

Average population unit per local call on the basis of existing records $= \dfrac{\text{Population } 7{,}953{,}824}{\text{Local Calls } 15{,}325} =$ 1 local call per population unit of 520

[1] Per Miss Rooney, Statistics Canada January 16, 1974.

[2] Holding time on local calls is 8.9 minutes.

N/A Not available as Enquiry Centre was not in existence.

APPENDIX "B"

COMPARATIVE COSTS OF ZENITH AND INWATS SYSTEM

Inquiry Centre	Estimated Monthly Number of Calls	Local Telephone Lines Needed to Handle Zenith Calls[1]	Monthly Cost for Zenith Local Lines[2]	Estimated Costs for Zenith Calls[3]	Total Monthly Zenith Costs	No. of INWATS Circuits	Total Monthly Cost of INWATS
St. John's[6]	203	2	$ 50.00	$ 746.03	$ 796.03		
	406	3	75.00	1,492.05	1,567.05		
	609	4	100.00	2,238.08	2,338.08		
Charlottetown[6]	45	1	22.50	165.38	187.88		
	90	2	45.00	330.75	375.75		
	135	2	45.00	496.13	541.13		
Halifax[6]	289	3	45.95(G)	1,062.08	1,108.03		
	578	4	61.28(G)	2,124.15	2,185.43		
	867	4	61.28(G)	3,186.23	3,247.51		
Moncton	290	3	48.75(G)	1,065.75	1,114.50	3	$ * 693.63
	580	4	65.00(G)	2,131.50	2,196.50	4	*1,433.88
	870	4	65.00(G)	3,197.25	3,262.25	4	*1,833.72
Montreal	1,636	6	108.75(G)	6,012.30	6,121.05	6	*3,530.36
	3,272	9	163.17(G)	12,024.60	12,187.77	9	*6,104.70
	4,908	12	217.56(G)	18,036.90	18,254.46	12	*8,598.98
Toronto[4]	1,639	6	108.60(G)	6,023.33	* 6,131.93	6	7,189.61
	3,278	9	162.90(G)	12,046.65	*12,209.55	9	12,486.08
	4,917	12	217.20(G)	18,069.98	18,287.18	12	*17,623.73

Winnipeg	223	2	29.60(G)	819.53	849.13	2	* 539.18
	446	3	44.40(G)	1,639.05	1,683.45	3	*1,155.00
	669	4	59.20(G)	2,458.58	2,517.78	4	*1,579.73
Saskatoon	390	3	35.65	1,433.25	1,468.90	3	*1,082.55
	780	4	47.52	2,866.50	2,914.02	4	*1,939.35
	1,170	5	59.40	4,299.75	4,359.15	5	*2,568.30
Edmonton[5] [6]	617	3	47.80(G)	2,267.48	2,315.28		
	1,234	5	79.65(G)	4,534.95	4,614.60		
	1,851	7	111.51(G)	6,802.43	6,913.94		
Vancouver	622	3	61.15(G)	2,285.85	*2,347.00	4	2,688.53
	1,244	5	101.90(G)	4,571.70	4,673.60	5	*4,559.63
	1,866	6	122.28(G)	6,857.55	6,979.83	6	*6,347.25
Ottawa[4]	703	3	65.75(G)	2,583.53	2,649.28	4	*2,147.25
	1,406	6	131.52(G)	5,167.05	5,298.57	5	*3,604.65
	2,109	7	153.44(G)	7,750.58	7,904.02	7	*4,885.65

[1] Assumes same average call holding time, i.e. 9 minutes as for local inquiry calls.

[2] Includes 25% for auxiliary gear and where amount is suffixed by (G) includes GTA local shared costs.

[3] Assumes average estimated cost per call of $3.50 based on average holding time and number of offices concerned.

[4] Ontario Zenith calls assumed at 70% to Toronto and 30% to Ottawa.

[5] Includes Yukon and NWT calls.

[6] No INWATS service offered throughout the Province.

*Lowest cost.

APPENDIX "C"

COSTS OF COMBINED ZENITH AND INWATS SYSTEMS

Extracted from Appendix "B"

Place	*Monthly Cost*
To St. John's	$ 796.03 (Zenith)
To Charlottetown	187.88 (Zenith)
To Halifax	1,108.03 (Zenith)
To Moncton	693.63 (INWATS)
To Montreal	3,530.36 (INWATS)
To Toronto	6,131.93 (Zenith)
To Winnipeg	539.18 (INWATS)
To Saskatoon	1,082.55 (INWATS)
To Edmonton	2,315.28 (Zenith)
To Vancouver	2,347.00 (Zenith)
To Ottawa	2,147.25 (INWATS)
Directory Costs	4,850.00
Total per month	$25,729.12

Total Yearly Costs $25,729.12×12=$308,749.44
(Rounded to $309,000.00)

APPENDIX "D"

DEFINITIONS

The following definitions have been taken from Treasury Board's "Guide on Financial Administration for Departments and Agencies of the Government of Canada"

Program—is a group of related departmental activities designed to achieve specific objectives authorized by Parliament.

Activities—are alternative or complementary means of achieving an objective or set of objectives of a program. The term is also used to refer to the highest level of activity classification or first division of a program, normally that used in Estimates submissions to Parliament.

The following definition has been taken from Treasury Board's "Management Improvement Circular No. MI-8-66 dated August 4, 1966"

Object of Expenditure—a classification of expenditure according to its nature, e.g. salaries, material and supplies, construction.

Objects are classified as follows:

(i) line object—a departmental classification of expenditure at the source. It is either coincident with the economic object or represents a subdivision thereof.

(ii) economic object—a classification required for economic analysis. It is identical with the line object or consists of a group of line objects.

(iii) reporting object—a classification required for management control. It consists of a grouping of economic or line objects.

(iv) standard object—a grouping of reporting objects for parliamentary and executive control until such time as departments introduce the more effective means of control through program budgeting by activity and responsibility centre.

(v) asset object—derivative coding to identify capital formation resulting from a department's use of its own resources (e.g. labour and material) on capital projects, including repairs where the cost is significant.

APPENDIX "E"

WITNESSES WHO APPEARED BEFORE THE COMMITTEE

Issue Number	*Date*		
4	June 6	Mr. Guy D'Avignon..........	Director General Information Canada
		Mr. A. G. Trickey..............	Assistant Director General Information Canada
4	June 6	Mr. J. A. Murphy..............	Director Information Services Branch Department of Industry, Trade and Commerce
		Mr. G. L. Bradley..............	Assistant Director Fairs and Missions Branch Department of Industry, Trade and Commerce
4	June 6	Mr. Arthur Blakeley...........	The Press Gallery
5	June 7	The Hon. John Munro.......	Minister of Labour
5	June 7	Mr. Guy D'Avignon..........	Director General Information Canada

Issue Number	*Date*		
5	June 7	Mr. A. G. Trickey..............	Assistant Director General Information Canada
		Mr. Claude Beauchamp......	Director Publishing Branch Information Canada
		Mr. David Monk...............	Director Communications Branch Information Canada
5	June 7	Dr. G. M. Carman.............	Director General Information Division Department of Agriculture
6	June 13	Mr. John McLeod.............	Public Relations Branch Department of Labour
6	June 13	Mr. Guy D'Avignon..........	Director General Information Canada
		Mr. A. G. Trickey..............	Assistant Director General Information Canada
		Mr. Tom Ford...................	Director Regional Operations Information Canada
		Mr. J. Creighton Douglas..	Director Expositions Branch Information Canada
6	June 13	The Hon. C. M. Drury.......	President The Treasury Board
		Mr. B. A. MacDonald........	Assistant Secretary Programs Branch The Treasury Board
		Dr. D. G. Hartle.................	Deputy Secretary Planning Branch The Treasury Board

Issue Number	*Date*		
8	November 22	Mr. Guy D'Avignon..........	Director General Information Canada
		Mr. A. G. Trickey..............	Assistant Director General Information Canada
		Mr. Tom Ford....................	Director Regional Operations Information Canada
		Mr. Don Padmore..............	Regional Director Halifax Region Information Canada
		Mrs. Barbara Nickerson.......	Mobile Information Officer Information Canada
9	December 5	Mr. Guy D'Avignon..........	Director General Information Canada
		Mr. Eric Miller....................	Deputy Director General Information Canada
		Mr. A. G. Trickey..............	Assistant Director General Information Canada
		Mr. Tom Ford....................	Director Regional Operations Information Canada
10	December 6	Mr. L. M. Smith..................	Director Information Services Taxation Division Department of National Revenue
10	December 6	Mr. C. Pilon........................	Director Information Services Customs & Excise Division Department of National Revenue

Rapport du

Comité sénatorial permanent des

Finances nationales sur

INFORMATION CANADA

Président
L'honorable Douglas D. Everett

Président suppléant
L'honorable Herbert O. Sparrow

Deuxième session de la
Vingt-neuvième législature

Avril 1974

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Vingt-neuvième législature

Avril 1974

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Ottawa, 1974

ORDRES DE RENVOI

Le mercredi 21 février 1973, le Sénat a résolu:

Que le Comité permanent des finances nationales soit autorisé à examiner les dépenses proposées dans le budget présenté au Parlement pour l'année financière se terminant le 31 mars 1974 et à en faire rapport, avant que les bills portant sur ledit budget ne parviennent au Sénat.

Le jeudi 15 mars 1973, le Sénat a résolu:

Que le Comité permanent des finances nationales soit autorisé à retenir les services d'avocats, de conseillers techniques, de commis aux écritures et de tout autre personnel jugé nécessaire aux fins d'examiner et d'étudier les mesures législatives et autres questions qui lui seront renvoyées.

Le jeudi 13 décembre 1973, le Sénat a résolu:

Que le Comité sénatorial permanent des finances nationales soit autorisé à publier et à diffuser dès que possible et en session ou non son rapport sur Information Canada en supplément de son rapport sur les prévisions budgétaires présenté au Parlement pour l'année financière se terminant le 31 mars 1974, lequel a été adopté par le Sénat le 26 juin 1973, dès qu'il sera disponible, même si le Sénat ne siège pas à ce moment-là.

Le jeudi 15 mars 1974, le Sénat a résolu:

Que le Comité sénatorial permanent des finances nationales autorisé pendant la première session de la 29e Législature, le 21 février 1973, à examiner et à faire rapport des dépenses proposées dans le Budget des dépenses déposé au Parlement pour l'année financière se terminant le 31 mars 1974, et, le 26 juin 1973, à préparer et à déposer un rapport sur Information Canada à titre de supplément à son rapport sur ledit Budget, soit autorisé à continuer son examen sur Information Canada et à déposer son rapport à ce sujet au cours de la présente session.

ORDRES DE RENVOI

Le mercredi 21 février 1973, le Sénat a décidé:

Que le Comité permanent des finances nationales soit autorisé à examiner les dépenses proposées dans le Budget présenté au Parlement pour l'année financière se terminant le 31 mars 1974 et à en faire rapport, avant que les bills portant sur ledit budget ne parviennent au Sénat.

Le jeudi 15 mars 1973, le Sénat a décidé:

Que le Comité permanent des finances nationales soit autorisé à retenir les services d'avocats, de conseillers techniques, de commis, de secrétaires et de tout autre personnel jugé nécessaire aux fins d'examiner et d'étudier les mesures législatives et autres questions qui lui seront renvoyées.

Le jeudi 13 décembre 1973, le Sénat a décidé:

Que le Comité sénatorial permanent des finances nationales soit autorisé à publier et à diffuser dès que possible et en session ou non son rapport sur Information Canada en complément de son rapport sur les prévisions budgétaires présenté au Parlement pour l'année financière se terminant le 31 mars 1974, lequel a été déposé au Sénat le 26 juin 1973, dès qu'il sera disponible, même si le Sénat ne siège pas à ce moment-là.

Le jeudi 14 mars 1974, le Sénat a décidé:

Que le Comité sénatorial permanent des finances nationales autorisé pendant la première session de la 29e Législature, le 21 février 1973, à examiner et à faire rapport des dépenses proposées dans le Budget des dépenses déposé au Parlement pour l'année financière se terminant le 31 mars 1974, et, le 26 juin 1973, ayant déposé au Sénat son rapport sur Information Canada, à titre de supplément à son rapport sur ledit Budget, soit autorisé à continuer son examen sur Information Canada et à déposer son rapport à ce sujet au cours de la présente session.

Membres du

COMITÉ SÉNATORIAL PERMANENT DES FINANCES NATIONALES

(*le premier avril 1974*)

L'honorable Douglas D. Everett, président

L'honorable Herbert O. Sparrow, président suppléant

et

les honorables sénateurs:

Benidickson, W. M.
Carter, Chesley W.
Côté, Jean-Pierre
Croll, David A.
Desruisseaux, Paul
*Flynn, Jacques
Giguère, Louis de G.
Graham, B. Alasdair
Grosart, Allister
Hicks, Henry D.
Langlois, Léopold
Manning, Ernest C.
*Martin, Paul
Neiman, Joan
Perrault, Raymond
Phillips, Orville H.
Prowse, J. Harper
Robichaud, L. J.
Welch, Frank C.
Yuzyk, Paul

*Membres d'office

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APPENDICES

CONCLUSIONS ET RECOMMANDATIONS

1. Le rôle et le mandat d'Information Canada devraient être définis dans une loi qui en préciserait les pouvoirs et les fonctions. (Chapitre I, page 1)

2. Le Secrétaire d'État devrait être chargé de tous les services d'information du gouvernement fédéral. Information Canada en serait l'organe administratif.

a) Information Canada ne devrait pas être une agence centrale d'information élaborant et diffusant tous les programmes d'information du gouvernement fédéral.

b) Les divers ministères du gouvernement devraient garder la responsabilité de leurs propres services d'information, mais le Secrétaire d'État par l'entremise d'Information Canada, devrait réglementer et coordonner leurs activités pour donner au public un service général d'information efficace et rentable. (Chapitre II, page 7)

3. Le principal objectif d'Information Canada consiste à améliorer la qualité et l'efficacité des services d'information fédéraux. Cet objectif devrait se fonder sur les principes suivants:

a) Si le rôle d'Information Canada est de réglementer et de coordonner les activités d'information des ministères afin de produire un système d'information global, il lui est impossible de ne pas élaborer ses propres programmes d'information. Cependant, cette activité devrait être réduite au minimum.

b) Information Canada devrait évaluer continuellement les programmes d'information des ministères afin de s'assurer qu'ils répondent le mieux aux besoins d'information du public.

c) Information Canada devrait évaluer continuellement la rentabilité de tous les programmes d'information et devrait prendre des mesures pour empêcher le gaspillage et la répétition.

d) Le public devrait pouvoir se procurer facilement des renseignements concrets et utiles sur les politiques, les programmes et les services du gouvernement fédéral. Les services d'information n'ont pas pour fonction de faire ingurgiter des renseignements,

e) Bien qu'il puisse être souhaitable d'adapter les renseignements aux besoins des particuliers, des régions, et des groupes spéciaux, les frais que cela comporte peuvent être hors de proportion avec les avantages qui en découlent. (Chapitre III, page 11)

4. Dans le budget des dépenses, les frais des services d'information devraient être indiqués de façon claire et détaillée pour chaque programme de chaque ministère ainsi que pour tous les organismes gouvernementaux. Le Conseil du Trésor devrait publier une définition afin que les ministères sachent quels articles inclure dans les services d'information. Cette définition devrait être élaborée par Information Canada pour le Conseil du Trésor. (Chapitre IV, page 15)

5. Information Canada devrait vérifier pour le Conseil du Trésor, les budgets d'information de tous les ministères et organismes et le conseiller en matière de dépenses pour les programmes d'information proposés par les ministères. (Chapitre IV, page 15)

6. Il semble au Comité que le programme des agents d'information itinérants soit devenu un service d'assistance sociale. En tant que service d'information, il est extrêmement coûteux par habitant et en tant que service d'évaluation de l'information, il laisse beaucoup à désirer. Comme il pourrait atteindre des proportions énormes, on devrait l'abandonner. (Chapitre V, page 21)

7. Les bureaux régionaux d'Information Canada sont utiles là où il y a également des librairies et des centres de renseignements. Partout ailleurs les bureaux régionaux devraient se borner à évaluer l'efficacité de tous les les programmes d'information des ministères dans les diverses régions.

a) Il devrait y avoir des bureaux régionaux à Halifax, Montréal, Toronto, Winnipeg et Vancouver uniquement.

b) L'évaluation régionale des programmes d'information des ministères devrait être faite dans une large mesure au moyen de sondages et de préférence par des firmes privées. (Chapitre VI, page 25)

8. L'un des services d'Information Canada qui a eu le plus de succès est celui des renseignements. Il faudrait l'améliorer en le transformant dans une large mesure en service téléphonique.

a) Le nombre de centres de renseignements devrait être restreint aux six centres actuels et aux cinq centres proposés, soit un centre dans chacune des dix provinces en plus d'un centre à Ottawa.

b) Le service de renseignements par téléphone devrait être gratuit pour tout citoyen voulant se mettre en rapport avec un centre de renseigne-

ments; ce dernier devrait avoir le personnel et les renseignements voulus pour répondre aux demandes de renseignements et orienter le citoyen vers la source appropriée. Le numéro de téléphone du service devrait recevoir une publicité aussi vaste que possible et être facilement repérable dans l'annuaire téléphonique ainsi qu'au bureau de poste.

c) Les médias d'information devraient être invités à faire connaître au public l'endroit où se trouve, dans chaque province, le Centre de renseignements d'Information Canada. (Chapitre VII, page 27)

9. Nous appuyons les activités de la direction des services de communications et nous conseillons à Information Canada, lors de l'élaboration de programmes d'information, de ne pas oublier l'avantage financier que représente le recours au secteur privé, ce qui réduit le besoin en personnel permanent. (Chapitre VIII, page 33)

10. Les Ministères d'État ne pourraient utiliser les services d'organismes privés sans l'approbation d'Information Canada qui, par ailleurs, serait chargé d'évaluer la compétence de ces organismes en fonction des services qui leurs sont demandés. (Chapitre IX, page 35)

11. Nous approuvons généralement les activités de la direction des publications d'Information Canada. Nous apportons cependant quelques réserves:

a) Les six bibliothèques actuelles semblent bien fonctionner et devraient continuer ainsi. Cependant, vu l'importance des frais engagés par ces librairies, nous croyons qu'il ne faut pas en ouvrir d'autres, mais diffuser les publications du gouvernement chez ses dépositaires agréés.

b) Nous considérons que la diffusion des publications gouvernementales constitue un service public extrêmement important. Ainsi, Information Canada devrait continuellement vérifier que les dépositaires agréés mettent bien à la disposition du public les publications gouvernementales.

c) Nous recommandons qu'Information Canada se serve des divers médias pour annoncer qu'on peut se procurer les publications gouvernementales dans ses librairies, chez les dépositaires et par correspondance grâce à un service de commandes très efficace.

d) Il serait souhaitable qu'Information Canada réglemente les ministères à rédiger les publications gouvernementales et à les diffuser. Il faudrait étudier tout particulièrement le volume de publications actuellement distribuées gratuitement par les ministères à des personnes qui, dans bien des cas, ne s'y intéressent absolument pas. Cette pratique devrait être réduite au minimum. (Chapitre X, page 37)

12. Les ministères fédéraux ont souvent tendance à n'avoir recours qu'à la presse écrite et à négliger la radio, la télévision et les techniques audio-visuelles. Information Canada devrait se tenir au fait des dernières découvertes audio-visuelles et conseiller les ministères dans ce domaine. (Chapitre XI, page 41)

13. Information Canada ne devrait pas fournir du personnel chargé de l'information aux ministères, mais plutôt les conseiller quant aux compétences à exiger de ce personnel et aux méthodes d'évaluation de leur travail (Chapitre XI, page 42)

14. Nous approuvons les activités de la direction des expositions d'Information Canada. (Chapitre XI, page 43)

INTRODUCTION

En mai 1973, lors de l'examen des prévisions budgétaires pour 1973-1974, le Comité sénatorial permanent des finances nationales a décidé d'examiner en détail les crédits d'un ministère et a choisi à cette fin Information Canada.

La première intention du Comité était de terminer cette étude à temps pour présenter un rapport au Sénat en juin 1973, lors de l'étude des prévisions budgétaires. Cependant, afin d'accorder tout le soin voulu à l'examen d'Information Canada et de présenter un rapport juste et impartial, le Comité a eu besoin de plus de temps et a donc décidé de terminer l'examen du ministère après le congé d'été en octobre 1973.

La diffusion de renseignements sur l'organisation et les activités du gouvernement fédéral constitue une tâche très importante et, dans le présent rapport, nous tentons de montrer comment on pourrait l'accomplir plus efficacement.

Nous tenons à remercier les témoins qui ont bien voulu comparaître et qui ont tous répondu volontiers à nos questions. Nous sommes particulièrement reconnaissants de la collaboration et de la patience de M. Guy D'Avignon, directeur général d'Information Canada et de son personnel.

Nous tenons aussi à remercier M. J. H. M. Cocks, notre directeur des recherches et administrateur; M. George Kerr, de la Bibliothèque du Parlement; M. Gérard Lemire, greffier du Comité; ainsi que Mme Dorothy Durett, Mlle Hilda Baker et Mme Irene Hudson.

CHAPITRE I

MANDAT

Conclusions et recommandations

Le rôle et le mandat d'Information Canada devraient être définis dans une loi qui en préciserait les pouvoirs et les fonctions.

Deux des clichés les plus communs de la vie moderne sont que «l'information augmente plus vite que l'homme n'est capable de l'assimiler» et que «le fossé se creuse de plus en plus entre le gouvernement et ses administrés». On peut d'ailleurs citer d'autres clichés à l'appui de cette thèse: «le rythme de vie s'accélère rapidement; l'élaboration des décisions exige des calculs plus rapides et complexes que seuls des experts peuvent effectuer; les progrès continuels de la technique font que l'idée que nous nous faisons de la société humaine est périmée avant même d'être formulée». Toutes ces affirmations impliquent une division instable de la société en un groupe d'initiés, c'est-à-dire les experts et ceux qui détiennent l'information —ce qui confirme l'observation selon laquelle connaissance égale puissance —et le reste de la société qui, par définition, dépend des experts pour une partie de l'information et du pouvoir.

Il est donc essentiel de maintenir la communication entre les Canadiens et leur gouvernement si on veut que la démocratie de participation soit plus qu'une simple expression à la mode. Le gouvernement fédéral doit s'acquitter de ses obligations envers les citoyens du Canada et les tenir au courant de ses projets et de ses programmes. En ce qui concerne Information Canada, nous constatons que la communication se fait surtout dans un sens. Cependant, Information Canada doit constamment être au courant de l'efficacité des besoins de l'information au peuple; cet aspect du mandat ne doit pas devenir un genre de poste d'écoute. L'idée initiale voulant qu'un organe d'information évalue constamment les attitudes et les opinions du public au sujet des programmes gouvernementaux n'est pas réalisable. En outre, elle ne s'inscrit peut-être pas dans la structure politique actuelle. Bien qu'Information Canada doive constamment se tenir au courant des problèmes d'intérêt public, nous ne pensons pas qu'il soit nécessaire à cette fin de disposer d'un organisme officiel.

Les gouvernements du Canada n'ont pas tendance à entourer leurs travaux de mystère. Certes, il existe certains domaines d'importance vitale où le secret est nécessaire et se justifie; dans d'autres domaines, il se justifie à un degré moindre, tandis qu'ailleurs il est absolument injustifiable. Mais le public canadien et les médias se trouvent souvent submergés par le volume des informations gouvernementales. Ces tonnes de communiqués de presse, de déclarations ministérielles et de conférences de presse constituent un abus évident aux yeux de maints observateurs de la scène politique à Ottawa, sans parler des capitales provinciales et des municipalités. Même les spécialistes de l'information en font souvent beaucoup de cas: pour le profane, il ne s'agit que d'un formidable bourdonnement confus. Il n'est donc pas étonnant que des demandes de renseignements au sujet des écoles soient adressées à un ministère de l'Éducation mythique du Parlement ou qu'une demande de dégrèvement d'impôt municipal attérrisse au ministère de la Consommation et des Corporations. Ce n'est pas le volume d'information qui manque à Ottawa mais sa rationalisation et une diffusion efficace.

En 1969, le groupe de travail chargé d'étudier l'information gouvernementale a déclaré dans son rapport que:

> «Soient publiquement énoncés le droit des Canadiens à une information complète, objective et divulgué en temps utile, ainsi que l'obligation pour l'État de dispenser toute information sur ses programmes et politiques; cette déclaration constituant désormais le fondement de nouvelles politiques gouvernementales en ce domaine. Ce droit et cette obligation pourraient être inscrits dans un nouveau texte constitutionnel, au chapitre de la liberté d'expression.»

A cette fin, le groupe de travail fait plusieurs propositions quant à la création d'Information Canada:

> a) «Que soit constitué un Conseil réunissant les chefs de divisions des Affaires publiques (autrefois appelées divisions de l'information) des divers ministères et organismes, dont Information Canada assurera le secrétariat et grâce auquel il sera possible à ces directeurs de mieux comprendre les politiques du gouvernement qui les intéressent (ou qui intéressent tel ou tel groupe d'entre eux) et de mettre en commun leurs connaissances sur les projets d'information à l'étude, de manière à ce qu'ils aient une vue d'ensemble du cadre dans lequel leur action est appelée à se développer.»

> b) «Que soit créé, sous l'égide d'un ministère existant, un organisme central d'information et de consultation appelé Information Canada. Cet organisme aurait pour mission de faciliter et de coordonner l'information dans ses aspects techni-

ques et administratifs, au Canada et à l'étranger, et serait chargé de certaines activités aujourd'hui négligées ou échappant à la compétence des ministères pris individuellement. Information Canada s'assurerait de plus, grâce au choix de son personnel et par ses propres travaux, que les deux langues officielles soient utilisées au même titre comme instruments de création et de communication.»

c) «Que des bureaux d'Information Canada soient établis progressivement dans chacune des principales régions, pour renforcer, coordonner et favoriser l'information réciproque sur les programmes fédéraux entre Ottawa et les régions.»

d) «Que les programmes d'Information Canada à l'étranger soient élaborés par les ministères compétents dans le cadre de la politique dirigée par le Secrétaire d'État aux Affaires extérieures, assisté d'un comité consultatif dont les membres viendraient du secteur public et du secteur privé; et qu'Information Canada participe à la mise en œuvre de certains de ces programmes.»

Le gouvernement n'a pas tardé à réagir à ces recommandations. Voici en effet ce que le premier ministre a déclaré à la Chambre le 10 février 1970:

«Information Canada servira de trait d'union entre les services fédéraux d'information qui fonctionnent actuellement comme autant d'unités distinctes. Il s'agit par là d'accroître l'efficacité et de réaliser des économies en supprimant le personnel et le matériel qui font double emploi et en coordonnant de façon plus rationnelle les moyens d'information de l'État. La Commission Glassco qui a enquêté sur l'organisation gouvernementale avait d'ailleurs fait une recommandation analogue. Cet effort de coordination devrait se traduire par une information plus cohérente, plus claire et plus accessible aux Canadiens que par le passé.»

Après avoir parlé du manque d'organisation dans le domaine de l'information interministérielle et de la nécessité qu'Information Canada comble cette lacune, le premier ministre a invoqué une troisième raison pour créer cet organisme:

«Information Canada nous permettra de mieux connaître les opinions des Canadiens. Ce service, en effet, ne se bornera pas à diffuser des informations, car il sera également à la disposition des citoyens, qui pourront ainsi mieux faire connaître leurs points de vue au gouvernement.»

Dans sa déclaration à la Chambre, M. Trudeau a mentionné qu'il acceptait en principe l'ensemble des dix-sept propositions importantes du Groupe d'étude.

La création d'Information Canada remonte au 1er avril 1970, date évocatrice pour les esprits critiques. Ses fonctions étaient les suivantes:

«entreprendre des programmes d'information sur des sujets aussi vastes que le fédéralisme, qui affectent la nation toute entière et dépassent la compétence des ministères: servir de trait d'union entre les ministères et les organismes d'information; conseiller et offrir des services, sur demande aux ministères et aux agences, et aider les Canadiens à mieux faire connaître leur point de vue au gouvernement.»

Plus précisément, ces fonctions devaient se traduire comme suit:

a) Concevoir, prévoir et diriger les expositions pour le compte des ministères et des organismes du gouvernement fédéral.

b) Prévoir des services d'édition pour les ministères à l'exception:

(i) des services d'édition déjà assignés par la loi à l'Imprimeur de la Reine, et

(ii) de l'impression de la *Gazette du Canada,* des documents et instruments officiels, des rapports, compte-rendus, projets de loi et autres documents envoyés à l'Imprimeur de la Reine par le personnel du Sénat et de la Chambre des communes du Canada.

c) Se charger de la vente dans les librairies agréées qui relevaient précédemment de l'Imprimeur de la Reine.

d) Faire respecter au besoin les droits d'auteur de la Couronne.

e) Organiser et diriger le personnel et autres services d'information général.

Les chapitres ultérieurs étudieront si Information Canada remplit son mandat. Il serait opportun à ce moment-ci de voir en vertu de quelle autorité Information Canada a été créée. Cet organisme a été établi grâce à une Loi des subsides (26 juin 1970), qui approuvait le programme d'Information Canada. Le décret du conseil C.P. 1970-559 du 26 mars 1970 autorisait la création de ce ministère.

a) conformément à l'article 2 de la Loi sur l'administration financière, de désigner Information Canada à titre de ministère ou département aux fins de ladite loi;

b) conformément à la Loi n° 3 de 1970 portant affectation de crédits, de désigner l'honorable Robert Stanbury en tant que membre du Conseil privé de la Reine pour le Canada sous la juridiction duquel le Directeur d'Information Canada administrera toutes les affaires assignées au Directeur par le ministre des Approvisionnements et Services; et

c) conformément à l'article 2 de la Loi sur l'emploi dans la fonction publique, de désigner Information Canada à titre de ministère ou département aux fins de ladite loi.

Il ne serait pas exagéré de dire que le statut d'Information Canada dans la panoplie gouvernementale des ministères et des organismes n'est pas précis. Ses objectifs visant à promouvoir la collaboration entre les buraux d'information du gouvernement, d'augmenter l'efficacité de ces bureaux, et de les conseiller et de les aider sur demande, nécessite une certaine expérience, ou du moins un bon sens des directions, si l'on veut éviter les écueils d'un accroissement sans limite ou d'un travail inutile. Ce n'est pas le cas pour l'instant. Nous nous empressons de dire que ce n'est pas parce qu'il nous manque des compétences parmi le personnel chevronné d'Information Canada. Nous l'avons trouvé, en général, compétent et, exceptionnellement dévoué; son travail est difficile et très souvent ingrat. Un mandat mal défini rend la tâche fort ardue.

Le budget annuel devrait consacrer plus qu'un crédit à cet organisme. Nous croyons qu'Information Canada serait plus solide si l'autorité lui était conférée par une loi du Parlement. Une telle loi pourrait en définir les fonctions, les activités et les responsabilités en tant que ministère du gouvernement, et établir ses relations avec les services d'information des autres ministères du gouvernement, avec le Conseil du Trésor et avec le Parlement.

Le Comité sénatorial permanent des finances nationales croit que le statut incertain d'Information Canada doit être précisé le plus tôt possible, de préférence par l'adoption d'une loi. Le rapport examine d'autres domaines et nous verrons que les critiques à l'adresse d'Information Canada entendues au cours des audiences du Comité, dans la presse et au Parlement, découlent du manque de directives précises.

Sans mandat précis, aucune organisation et surtout aucune organisation gouvernementale ne peut éviter des secteurs d'activités qui ne lui appartiennent pas, ni les enchevêtrements d'une bureaucratie engendrée par un accroissement illimité. Information Canada a été jugée sous ces deux rapports et trouvée en faute par les critiques de la presse et du Parlement. On ne doit pas blâmer les critiques d'avoir perçu les défauts d'Information Canada, mais les résultats peu encourageants doivent être connus pour donner plus de perspective à cette situation. Le Comité est très conscient de ces fautes, mais reconnaît également qu'Information Canada a dû œuvrer malgré ces désavantages. Nous rappelant les commentaires de Winston Churchill sur le Bolchevisme, les critiques d'Information Canada ont soutenu qu'il aurait fallu l'étrangler dès sa naissance. Est-ce que l'infanticide bureaucratique devrait être une méthode recommandée pour la réorganisation gouvernementale, on ne peut en décider ici. Information Canada a été lancée dans la controverse politique dès le départ, et c'est un fardeau que peu de ministères ont connu. Il a également fait l'objet de pressions internes et externes depuis sa création.

Même si Information Canada n'est pas un ogre bureaucratique ni un ornement aux frais du contribuable, ses activités doivent faire l'objet d'une réglementation et de contrôle plus sévères.

CHAPITRE II

RÈGLEMENT POUR SERVICES D'INFORMATION

Conclusions et recommandations

Le Secrétaire d'État devrait être chargé de tous les services d'information du gouvernement fédéral. Information Canada en serait l'organe administratif.

a) Information Canada ne devrait pas être une agence centrale d'information élaborant et diffusant tous les programmes d'information du gouvernement fédéral.

b) Les divers ministères du gouvernement devraient garder la responsabilité de leurs propres services d'information, mais le Secrétaire d'État, par l'entremise d'Information Canada, devrait réglementer et coordonner leurs activités pour donner au public un service général d'information efficace et rentable.

Nous avons déjà parlé de la confusion qui règne lorsque trop de renseignements de différentes sources parviennent à un individu qui peut difficilement les absorber tous et encore bien moins s'en faire une juste idée. Nous ne voulons pas préconiser de solution radicale: un organisme central d'information qui offrirait au public des renseignements sélectionnés d'avance, du «tout cuit». Lorsque la connaissance et l'information sont le monopole de quelques-uns dans la société moderne, le pouvoir politique est également concentré entre les mains de quelques individus. La majorité ne peut ainsi participer efficacement à l'organisation et à la direction de l'État. Il n'est pas nécessaire de prendre du recul pour s'apercevoir quels seraient les effets d'un tel monopole sur la société canadienne.

Même s'il est facile d'opter pour un club totalitaire pour renverser les initiatives gouvernementales dans la diffusion des renseignements, au Canada le problème est plus simple. Un organisme central de renseignements qui diffuserait tout genre de renseignements à tous les Canadiens ne représente pas tant une menace pour la liberté des citoyens qu'un danger pour la diffusion efficace des renseignements.

Comme l'a souligné le Groupe de travail sur l'information gouvernementale, les caractéristiques des divers systèmes politiques et de la corrélation entre les organismes gouvernementaux et les divers paliers du gouvernement influencent grandement la nature des communications sociales:

> «Les pouvoirs législatif, exécutif, judiciaire et administratif du gouvernement—par leur nature et leur action distinctes mais aussi par leurs relations mutuelles—contribuent tous à déterminer certains courants d'information. De plus, ils influent sur le flot de renseignements qui proviennent d'autres sources. Enfin, dans un État fédéral, le flot d'informations peut être différent de celui qui existera dans un pays unitaire. Au Canada, la conférence publique fédérale-provinciale sur la constitution constitue une source d'informations qui pourraient ne jamais voir le jour dans un pays unitaire.
>
> Les États sont de plus en plus impliqués dans les communications sociales. Il ne faut pas oublier que, quelle que soit l'importance du rôle que l'État assume dans ce domaine, il ne sera toujours que l'un des nombreux participants et que ses partenaires ne cesseront jamais de l'influencer.»
>
> (Communiquer, II, 15)

Dans une société libre comme celle du Canada, il n'y a pas de place pour un ministère «Orwellian» de la Vérité; même si nos parlementaires les plus radicaux et les critiques de la presse jettent de hauts cris, Information Canada est mal placée pour jouer ce rôle. Tant que le bruit des bottes, les chambres de tortures et les coups frappés à la porte à 2 h 00 du matin ne feront pas partie de la vie de tous les jours au Canada, cette notion nous paraîtra absurde. Comme la citation précédente l'indique, l'information provient de toutes les directions, de toutes les sources possibles, et s'adresse à tous. Un organisme central d'information, même pour des activités fédérales, serait vraisemblablement une source de problèmes plutôt qu'une aide à la population.

Il y a, sans doute, chevauchement et perte au sein des services ministériels de l'information, mais cela ne veut pas dire que ces activités ne sont pas nécessaires. Les agriculteurs, les producteurs, les grossistes et les détaillants doivent savoir ce que le ministère de l'Agriculture projette. Les anciens combattants doivent être au courant des lois qui régissent leurs prestations. Tous les citoyens doivent être informés des changements apportés à la politique fiscale qui les intéresse. Notre bureau central d'information est peut-être renommé pour sa rationalisation, mais cette dernière n'est pas une garantie automatique d'efficacité. Il est plus probable qu'un organisme central d'information évoluerait selon les premiers modèles de l'univers, suivant cycles et épicycles et qu'il verrait la création d'organismes secondaires et de bureaux qui répondraient aux besoins des divers secteurs d'information; inefficacité et bureaucratie monstrueuse, c'est ce qui en résulterait.

Nous croyons qu'Information Canada aurait avantage à ne pas se charger des relations publiques et de l'information pour les ministères importants comme l'Agriculture, l'Industrie et le Commerce, mais à se concentrer plutôt sur la réglementation et la coordination de leurs activités. On empêcherait ainsi le gaspillage de fonds publics et de talents qui causent le chevauchement des efforts et le manque d'appréciation des divers moyens de communication avec le public. Information Canada ne peut et ne devrait pas rivaliser avec les connaissances spécialisées sur le plan de leur propre ministère des experts des grands ministères. Ces derniers peuvent seuls expliquer les politiques gouvernementales qui les intéressent; Information Canada n'a pas à le faire. En tant qu'expert du gouvernement dans le domaine de diffusion de l'information, toutefois, Information Canada a un rôle essentiel à jouer: celui d'expliquer aux ministères comment mieux transmettre les renseignements nécessaires aux audiences appropriées. Il faudrait préciser à tous les ministères qu'il s'agit là de la politique du gouvernement et non pas d'une chose qu'on laisse à la discrétion de chaque ministère. Il s'agit bien d'une saine gestion des ressources humaines et matérielles plutôt que de l'acquisition de connaissances techniques. Les ministères acceptent difficilement de se plier à une autorité extérieure et Information Canada est souvent considérée comme telle par le personnel d'information des ministères. Si son rôle est clairement défini, les ministères n'entretiendront pas de soupçons à son égard. Si l'on s'accorde pour le considérer comme un organisme de coordination et d'assistance, plutôt que comme un organisme de remplacement et de coordination, l'ensemble du programme d'information du gouvernement fédéral pourrait être mené à bien avec une efficacité et une économie plus grandes.

Pour cela, Information Canada doit pouvoir s'appuyer sur l'autorité d'un ministre d'État directement responsable de tous les services d'information du gouvernement fédéral. Nous recommandons que ce ministre soit le Secrétaire d'État dont les responsabilités comportent déjà celles de plusieurs agences dans le domaine de la culture en général, de l'éducation et de l'information. Nous soulignons qu'Information Canada doit être sa principale responsabilité et non un élément accessoire, comme c'est le cas à présent.

Parallèlement, il ne faut pas non plus minimiser le problème des relations d'Information Canada avec le gouvernement en place. Dans une certaine mesure, en chargeant la Commission de la Fonction publique d'engager son personnel et par la nature même de ses fonctions, on peut être sûr que l'organisme se gardera de toute ingérence politique. Il n'est pas là pour critiquer la politique du gouvernement, mais pour en informer le public et pour fournir aux citoyens des renseignements sur les questions fédérales touchant leur vie.

Il est à cet égard très différent de la Société Radio-Canada, par exemple; cette dernière est en effet une société de la Couronne qui a un rôle d'information, mais qui est tout à fait autonome et peut critiquer le gouvernement lorsqu'elle le juge bon. Même si l'on redéfinissait la compétence d'Information Canada, en précisant que c'est un organisme de direction et de coordination, il y aurait toujours le risque qu'il soit considéré comme un moyen de propagande du gouvernement, comme cela a été le cas par le passé. Il est peu vraisemblable que cette attitude change, sauf peut-être avec le temps et avec une étude objective de son travail quotidien.

CHAPITRE III

PRINCIPES DIRECTEURS

Conclusions et recommandations

Le principal objectif d'Information Canada consiste à améliorer la qualité et l'efficacité des services d'information fédéraux. Cet objectif devrait se fonder sur les principes suivants:

a) Si le rôle d'Information Canada est de réglementer et de coordonner les activités d'information des ministères afin de produire un système d'information global, il lui est impossible de ne pas élaborer ses propres programmes d'information. Cependant, cette activité devrait être réduite au minimum.

b) Information Canada devrait évaluer continuellement les programmes d'information des ministères afin de s'assurer qu'ils répondent le mieux aux besoins d'information du public.

c) Information Canada devrait évaluer continuellement la rentabilité de tous les programmes d'information et devrait prendre des mesures pour empêcher le gaspillage et la répétition.

d) Le public devrait pouvoir se procurer facilement des renseignements concrets et utiles sur les politiques, les programmes et les services du gouvernement fédéral. Les services d'information n'ont pas pour fonction de faire ingurgiter des renseignements.

e) Bien qu'il puisse être souhaitable d'adapter les renseignements aux besoins des particuliers, des régions, et des groupes spéciaux, les frais que cela comporte peuvent être hors de proportion avec les avantages qui en découlent.

Nous avons déjà exprimé notre désapprobation d'un organisme central d'information parce que ce n'est pas un moyen efficace de transmettre l'information au peuple. Nous estimons que ce n'est pas là le rôle véritable d'Information Canada bien qu'au dire de plusieurs critiques, il fasse fonction d'organisme central d'information, faisant preuve de plus d'indépendance qu'il n'en possède en réalité. Le Comité estime qu'en sa qualité d'organisme de direction et de coordination, Information Canada devrait attacher moins d'importance à son rôle d'initiateur de programmes d'information. A titre d'exemple, nous citerons le programme très critiqué de Service automatisé de réunion des informations (SARI). Bien que le projet n'ait jamais eu de suite, on avait proposé qu'Information Canada crée l'équivalent électronique d'un service de découpage des journaux, qui aurait fourni aux clients—moyennant un abonnement—les nouvelles concernant le gouvernement fédéral tirées de 76 quotidiens, de 11 stations radio A.M. et de 44 stations de télévision, y compris les réseaux nationaux. En dehors du fait que ce service aurait constitué une concurrence pour des entreprises équivalentes des secteurs privés, Information Canada se trouvait dans une situation morale difficile. Comme l'ont souligné à juste titre les éditorialistes, les employés des organes d'information n'auraient pas vu d'un œil favorable le plagiat de leur création par un organisme gouvernemental.

Ce genre de projet ambitieux ne correspond pas véritablement à un besoin manifeste. Il a eu pour seul résultat de provoquer une nouvelle vague de critiques à l'endroit d'Information Canada, critiques d'ailleurs bien méritées en l'occurrence. Cela ne veut pas dire qu'Information Canada devrait se contenter de suivre des lignes bien définies. Il y a encore dans le domaine de l'information des besoins nombreux et variés qui ne sont pas couverts par les programmes existants, et il faudrait les dépister constamment et les mettre en évidence. Par exemple, les changements de la politique du gouvernement à l'égard des autochtones du Nord pourraient également avoir certains effets sur ceux qui habitent dans le sud du Canada, et Information Canada devrait être au courant afin de s'assurer que ceux qui sont touchés par ces modifications de politique ou ceux qui sont intéressés par elles en soient bien informés par le ministère en cause. Comme exemple d'information d'ordre général fournie par Information Canada, nous pouvons citer la divulgation du Programme d'initiatives locales qui témoigne d'une coordination réussie des efforts d'information d'environ dix ministères et la publication d'ouvrages donnant un compte rendu succinct des sujets d'actualités.

Ces renseignements sont sans doute moins spectaculaires que le programme SARI, mais ce genre d'activités est certainement moins risqué et correspond davantage aux idéaux d'un organisme chargé de la réglementation. De même, il y a de nombreuses zones de recoupement de la politique gouvernementale qui ne sont pas la responsabilité exclusive d'un ministère. Les Affaires extérieures, l'Industrie, le Commerce et la Défense nationale peuvent tous être engagés dans des négociations commerciales avec des pays d'outre-mer et Information Canada devrait travailler en collaboration avec leurs services d'information afin de fournir les renseignements globaux nécessaires, sans qu'il y ait omission ni répétition, ce qui arriverait inévitablement si chaque ministère travaillait de son côté.

Il arrive très souvent que le public ait besoin d'un certain genre d'information auquel un ministère peut être lent à répondre, ou auquel plusieurs ministères peuvent répondre. Par exemple, la confusion du public au sujet de la crise de l'énergie aurait pu être limitée si le ministère de l'Énergie, des Mines et des Ressources avait fait rapidement une déclaration claire et générale sur ses implications. Il nous semble qu'Information Canada devrait être sur le qui-vive pour dépister de tels besoins en prenant sans cesse le pouls du public. La majorité n'est pas nécessairement silencieuse, mais elle ne s'exprime pas normalement d'une seule voix; les informations obtenues en retour du public devraient également être un sujet de préoccupations important pour Information Canada. La recherche en opinion publique n'est pas nécessairement une science primitive et Information Canada devrait employer ses ressources et compétences à jauger à la fois l'efficacité des programmes d'information du gouvernement et à déterminer, dans la mesure du possible, les besoins en information du public.

Cette attitude professionnelle vis-à-vis du besoin d'information du public devrait permettre à Information Canada d'acquérir énormément d'expérience dans le domaine des techniques d'information appliquées à la scène canadienne et lui permettre de constituer un stock d'expériences et de connaissances de ce secteur hautement technique dont pourraient bénéficier tous les ministères. A l'heure actuelle, la rentabilité en ce domaine est mauvaise. Tant que la position et le rôle d'Information Canada vis-à-vis des services d'information du gouvernement n'auront pas été précisés, on risque de voir de nombreuses dépenses inutiles, répétitions et omissions dans tous les ministères du gouvernement.

Quant à l'attitude de certains agents d'information vis-à-vis de leur travail, le Comité a été surpris du fait qu'ils entrevoient leur mission comme étant vouée à l'éducation et au service social plutôt qu'à l'information. Il est apparu qu'ils considèrent leur mission comme une mission d'éducation ou comme un service social plutôt qu'une mission d'information. C'est le cas tout particulièrement du projet d'agents itinérants que l'on rôde en ce moment en Nouvelle-Écosse et au Manitoba et qui sera traité avec plus de détails dans un chapitre ultérieur. S'il est souhaitable qu'il y ait des contacts directs entre les agents d'information et les clients, l'idée que le gouvernement a le devoir de déverser à tout prix des renseignements, reste discutable pour ce qui est de la rentabilité et de l'efficacité des communications. Si le zèle de missionnaire de nombreux agents d'Information Canada est admirable puisqu'il reflète une préoccupation sociale et un souci de communiquer directement avec le public, c'est un effort perdu pour ce qui est des objectifs d'un organisme d'*information* du gouvernement. Le Comité, comme les témoins d'Information Canada, s'accordent à dire que les relations individuelles sont le moyen le moins efficace sur le plan des frais, pour faire passer un message. Bien qu'il y a dans le pays des groupes ou des régions bien définis auxquels des renseignements précis peuvent être envoyés, l'idée que l'information doit être adaptée à tous les intérêts concevables ne devrait pas être encouragée. Lorsque l'on considère l'énorme diversité des intérêts, des opinions et des besoins couverts par des termes génériques comme «la jeunesse», «les dépourvus», «les minorités ethniques», «les citadins» ou «les autochtones», on admettra qu'il n'est pas réaliste d'adapter l'information aux sous-groupes arbitrairement définis et d'éviter toute hausse des frais. Même si l'on définit avec un soin particulier ces groupes et si l'on évalue leurs besoins précis, on n'est pas sûr que le programme d'information sera utile. Le Comité estime que, selon les nécessités de la situation, les programmes d'information devraient viser à atteindre le plus grand secteur possible de la population.

L'impossibilité dans laquelle se trouve Information Canada de réduire son effectif a constitué l'une des critiques les plus importantes qui lui ait été faite dès le départ. Nous admettons le bien-fondé de cette critique. Nous admettons aussi que si le rôle d'Information Canada avait été précisément défini dès le départ, ce genre de critiques aurait pu être évité. Les questions de dépenses et de prolifération du personnel ont été tout particulièrement discutées lors des délibérations du Comité. Nos recommandations et nos conclusions vont dans le sens d'une plus grande rationalisation des services d'Information Canada, surtout pour ce qui est de son rôle d'organisme de coordination et de contrôle. Dans ce rôle, le Comité se rend compte que si la réalisation des programmes d'Information Canada est couronnée de succès, il peut s'en suivre une augmentation du personnel au sein des ministères en cause. Toutefois, Information Canada devrait uniformiser davantage les services d'information du gouvernement et devrait s'assurer que toute augmentation de personnel ou de budget soit tout à fait justifiée.

CHAPITRE IV

COÛT DES SERVICES D'INFORMATION

Conclusions et recommandations

Dans le budget des dépenses, les frais des services d'information devraient être indiqués de façon claire et détaillée pour chaque programme de chaque ministère ainsi que pour tous les organismes gouvernementaux. Le Conseil du Trésor devrait publier une définition afin que les ministères sachent quels articles inclure dans les services d'information. Cette définition devrait être élaborée par Information Canada pour le Conseil du Trésor.

Information Canada devrait vérifier, pour le Conseil du Trésor, les budgets d'information de tous les ministères et organismes et le conseiller en matière de dépenses pour les programmes d'information proposés par les ministères.

L'un des traits les plus frappants des témoignages entendus au cours des auditions du Comité est que personne ne savait exactement ce qu'était l'information, du moins du point de vue des comptes. Le Budget des dépenses, par exemple, ne présente pas l'information comme une activité séparée dans le cas de nombreux ministères: en fait, seuls six ministères sur une trentaine environ font état de services d'information et de relations publiques comme de programmes ou d'activités expliquant un programme, les autres ministères ayant inclus l'information dans leur programme d'administration ou l'ayant combinée à d'autres activités.

Évaluer le coût des services d'information gouvernementaux a toujours été un art difficile, en raison essentiellement de la nature changeante de nos concepts d'information. Chercher une définition de l'information qui satisferait à la fois le comptable et le théoricien de l'information semblerait une tâche désespérée. Ce problème, comme beaucoup d'autres, a été abordé par le Groupe de travail sur l'information gouvernementale:

> «La difficulté vient de ce que le Conseil n'a jamais exigé des ministères qu'ils rendent compte séparément du budget qu'ils affectent à ce poste. En fait, le Conseil du Trésor n'a jamais cherché à définir aux fins comptables les mots *information* ou *services d'information,* de sorte que la comptabilité des ministères rend compte de cette activité de la façon que ceux-ci jugent individuellement la plus appropriée.»
>
> (Communiquer II, 141)

En cherchant à définir les coûts de l'information au gouvernement fédéral, le Groupe de travail a rédigé un questionnaire demandant aux différents ministères de faire état de tous les coûts directement associés à l'information. De nombreux ministères n'ont pu séparer les coûts d'information du budget global d'administration dans lequel ils étaient compris. Certains n'ont pu préciser leurs coûts (par exemple, publicité, relations publiques) comme le demandait le questionnaire.

Le Comité comprend la difficulté qu'il y a à définir exactement le coût de l'information au gouvernement. Néanmoins, nous avons essayé, comme suit, *d'évaluer* le coût global de l'information du gouvernement fédéral à partir du Livre bleu du Budget des dépenses.

Pour l'année fiscale se terminant le 31 mars 1974, on voit que le tableau 6 (Prévisions budgétaires pour 1973-1974 par article courant de dépenses) indique un total de 60.3 millions de dollars pour l'information de tous les ministères. On observe en outre que seuls quatre ministères ont dans leur programme d'administration mentionné une activité à part qui concerne uniquement l'information.

La définition des activités et les chefs de dépenses se trouvent à l'appendice «D».

Le tableau suivant montre le rapport entre l'activité sur le plan de l'information et l'article courant de dépenses pour l'information dans chacun de ces quatre ministères:

Ministère	*Activité*	*Article courant de dépense*	*Différence*	*Taux approximatif de l'article courant de dépenses qui représente une différence*
Agriculture	$1,871,000	$1,172,000	$699,000	60%
Consommation et Corporation	1,737,000	955,000	782,000	82%
Main-d'œuvre et Immigration	901,000	195,000	706,000	362%
Secrétariat d'État	1,525,000	882,000	643,000	73%

Les différences entre les activités et les articles courants de dépense dans le tableau ci-dessus représentent les frais des articles courants de dépense autres que l'information. Par exemple, les $699,000 s'appliquant à l'agriculture comprendraient partiellement ou globalement les frais suivants imputables au service d'information:

—salaires et traitements
—transport et communication
—services professionnels et spéciaux
—location, achat, réparations et entretien
—services, matériaux et fournitures
—autres dépenses

A l'exclusion du taux important de la Main-d'œuvre et de l'Immigration, la moyenne des trois autres ministères indiqués dans le tableau est d'environ 72 p. 100. Le pourcentage moyen pour les quatre ministères est d'environ 144 p. 100. Lorsqu'on applique ces pourcentages à la somme totale de 60.3 millions de dollars indiquée pour l'information sous la rubrique *articles courants de dépenses* du Budget des dépenses, on arrive d'une part à environ 104 millions de dollars et d'autre part à 147 millions de dollars. Il ne faut pas oublier que ces sommes ne font pas état du coût des services d'information dans nombre de Sociétés de la Couronne que ne mentionne pas le Budget des dépenses.

Par conséquent, on peut conclure que le coût global de l'information des ministères et organismes du gouvernement fédéral tel qu'il apparaît dans le Budget des dépenses dépasse 100 millions de dollars et se rapproche plus vraisemblablement de 150 millions de dollars. Si l'on incluait toutes les Sociétés de la Couronne qui ne paraissent pas dans le Budget des dépenses, nous pensons que cette somme atteindrait 200 millions de dollars.

En dépit des difficultés qu'il y a à séparer les coûts de l'information du budget global des ministères, on estime que la procédure du Groupe de travail est une méthode logique pour définir l'information aux fins de la Comptabilité. Le processus d'information est divisé en cinq grandes catégories: publicité, audio-visuel, relations avec la presse, relations publiques, publications. Cela est peut-être arbitraire, comme l'est un état de compte. En tout cas, il s'agit de définir l'information à des fins budgétaires. Pour donner une idée plus complète de la façon dont le Groupe de travail découpe le processus de l'information, nous citons ce qui suit:

> PUBLICITÉ comprend la préparation et l'insertion d'annonces dans des revues choisies ou générales à des fins de promotion; la production de slogans télévisés ou de publicité radiophonique.

> AUDIO-VISUEL comprend la préparation, la production et la distribution de bandes magnétiques radiophoniques ou de programmes de té-

lévision (films d'information ou de long métrages) de la radio et de la télévision; la production et la distribution de documentaires, de films, de documents sur magnétoscope, de présentation de diapositives; la production de diapositives, de clichés et d'affiches; la production et la présentation d'expositions.

RELATIONS AVEC LA PRESSE comprend la préparation et la distribution de tous les documents destinés à la presse écrite; communiqués, documents d'information, programmes supplémentaires; et l'utilisation d'un service d'information par câbles.

RELATIONS PUBLIQUES comprend la rédaction de discours, la préparation de conférences et réunions non politiques; la préparation et le contrôle de visites de journalistes ou dignitaires étrangers.

PUBLICATIONS comprend la préparation, la production et la distribution de rapports annuels, de revues scientifiques et techniques et de certaines revues réglementaires ou d'information à des fins internes ou externes.

AUTRES MEDIAS comprend les salaires et tous les autres coûts que les ministères et organismes n'ont pu inclure sous les autres rubiques.

Étant donné l'ampleur des fonds engagés dans ce domaine important, on estime qu'il faut inclure séparément le coût des services d'information dans le budget des dépenses de chaque ministère, et ce en le mentionnant comme un programme ou une activité expliquant un programme.

On se rend compte qu'avant toute chose il serait nécessaire de préparer une définition des services d'information afin que les ministères puissent évaluer leurs exigences dans ce domaine. On pense que cette définition devrait être mise au point pour le Conseil du Trésor par Information Canada, à partir de la répartition du Groupe de travail mentionné à titre indicatif dans l'avant-dernier paragraphe.

La rentabilité étant peut-être le critère le plus sûr, le spectre du Conseil du Trésor devrait planer sur le décompte ministériel des dépenses d'information. Une fois que le coût des services d'information est mentionné comme un programme ou une activité supportant un programme dans le budget des dépenses, le rôle qui devrait être donné à Information Canada en tant qu'organisme de direction et de coordination des services d'information fédéraux, serait d'agir au nom du Conseil du Trésor en examinant ces budgets d'information ministériels avant qu'ils n'apparaissent dans le budget des dépenses. Ce processus d'examen permettrait aux ministères de ne pas engager de dépenses excessives pour des éléments disponibles ailleurs, de ne pas reprendre des programmes ou des projets, de ne pas créer de groupes pour exercer une fonction qui pourrait être mieux exercée par un autre ministère ou par Information Canada; cela permettrait au Conseil du Trésor d'être conseillé par un organisme indépendant et averti pour tout ce qui touche à l'information.

De la même façon, il s'ensuivrait qu'Information Canada aurait la responsabilité de conseiller le Conseil du Trésor à propos des dépenses soumises au Conseil du Trésor à propos de nouveaux programmes d'information des ministères.

Nous ajouterions à titre de garantie supplémentaire de la responsabilité fiscale, qu'on ne devrait pas utiliser les prévisions supplémentaires à moins qu'une initiative d'urgence de la part du gouvernement ne nécessite le lancement d'un programme d'information particulier.

CHAPITRE V

AGENTS D'INFORMATION ITINÉRANTS

Conclusions et recommandations

Il semble au Comité que le programme des agents d'information itinérants soit devenu un service d'assistance sociale. En tant que service d'information, il est extrêmement coûteux par habitant et en tant que service d'évaluation de l'information, il laisse beaucoup à désirer. Comme il pourrait atteindre des proportions énormes, on devrait l'abandonner.

A l'heure actuelle, le programme d'agents d'information itinérants à l'essai au Manitoba et en Nouvelle-Écosse a pour but d'évaluer la possibilité d'étendre les services d'information au-delà des centres urbains actuels. Un tel besoin s'est-il fait sentir? Information Canada a mené des enquêtes approfondies à cette fin, dans ces régions. Les fonctions des agents itinérants, telles que les conçoivent les autorités d'Information Canada, sont les suivantes:

1. Servir d'intermédiaire dans les régions moins informées.
2. Informer au sujet des programmes ministériels dans ces régions.
3. Créer de nouveaux débouchés pour les ministères en se servant des ressources communautaires et des médias d'information locaux.
4. Appuyer les programmes ministériels par l'installation de bureaux dans ces régions.
5. Tenir les ministères au courant des développements dans les domaines qui les intéressent.

6. Informer les agents régionaux supérieurs d'Information Canada des besoins d'information d'une région donnée.

Ces catégories ne sont pas rigides; Information Canada reconnaît qu'il se peut que certains ministères n'aient pas recours à de tels services, tandis que d'autres auront besoin de services qui ne figurent pas sur cette liste. Les objectifs que se propose ce programme d'agents itinérants sont résumés dans un autre document d'Information Canada:

> «Le service d'agents itinérants est destiné à adapter l'information gouvernementale aux situations locales. Pas d'équipement audio-visuel coûteux, mais dans la majeure partie des cas, le dialogue avec le public. Les agents itinérants, sur une plus grande échelle, aident à créer des liens entre les ministères fédéraux et les collectivités et les régions dans lesquelles ils travaillent. Ils essaient de bien connaître les besoins d'information d'une collectivité donnée. Ils avisent le personnel régional d'Information Canada des réalisations qui exigent des programmes spéciaux d'information. Enfin, ils fournissent aux ministères fédéraux la possibilité de donner des renseignements dans des régions qui auparavant avaient été oubliées. Il est important d'ajouter que ces agents essaient d'utiliser au maximum les ressources communautaires existantes, comme les bibliothèques par exemple. Le but ultime est la formation d'un réseau local. L'agent itinérant sera alors en mesure d'offrir ses services à une nouvelle région.»
>
> (Projets itinérants régionaux d'Information Canada, 1973)

Ce programme innovateur et ambitieux a attiré, au nombre des agents itinérants, des personnes très dévouées et diligentes. Néanmoins, si un des programmes d'Information Canada suscite de l'inquiétude au sein de ce Comité, c'est bien celui-là. L'inquiétude est très marquée et regrettable. Il est évident que ces agents itinérants sont sincères et travailleurs, mais on est d'avis qu'effectivement ils ne fournissent que peu de renseignements, mais accomplissent des tâches de travailleurs sociaux. Ce n'est pas là l'objectif que se propose Information Canada. Reportons-nous une fois de plus, à un document d'Information Canada. En annexe au rapport préparé par l'agent régional supérieur de la région Atlantique figurent plusieurs articles illustrant les activités des agents itinérants. En voici quelques exemples:

> «Des conseillers municipaux essaient fréquemment d'intéresser les agents itinérants à des problèmes de leurs districts, car ils estiment que l'agent itinérant est mieux placé pour répondre aux questions qu'ils ne le sont eux-mêmes.»
>
> «On a surpris une infirmière du service de santé public déclarer combien elle estimait Information Canada. Elle peut maintenant accorder plus d'attention aux problèmes médicaux, en confiant à l'agent itinérant les autres problèmes de ses clients, qui auparavant occupaient une bonne partie de son temps. De plus, cet agent rend un meilleur service à ses clients puisqu'il est en mesure de hâter le processus qui leur permet de recevoir les prestations de l'aide à l'enfance, de l'Assurance-chômage, de la Compensation pour accidents de travail, du Bien-être social, etc.»
>
> «Les agents de liaison s'occupent activement d'assurer les services de liaison entre les citoyens et les autorités gouvernementales à divers paliers. Un agent itinérant peut s'occuper de convoquer une réunion entre un réalisateur de l'ONF, intéressé à filmer des citoyens âgés, dans une collectivité de noirs, ainsi

> qu'une personne-clé de cette collectivité; servir d'agent de liaison entre une agence de fonds et une collectivité qui en a besoin; faire en sorte que le directeur d'une école puisse rencontrer le Secrétaire d'État».

C'est magnifique, mais ce n'est pas de l'information. C'est une vérité de La Palisse que de dire qu'il existe réellement des besoins sociaux un peu partout au Canada, mais la solution de ces problèmes ne relève pas d'Information Canada. Il semble qu'il y ait, au sein des agents itinérants, pas mal de confusion au sujet du rôle qui leur est confié, celui-ci ne consiste pas à conseiller sur des problèmes sociaux, mais uniquement à fournir l'information. Une part de cette confusion découle peut-être des antécédents professionnels de ces agents. La plupart des agents de la Nouvelle-Écosse ont une formation en services sociaux, tandis qu'au Manitoba, ils ont plutôt de l'expérience dans le domaine des communications.

Le Comité estime qu'Information Canada s'engage dans une voie dangereuse en entreprenant ce genre de travail. En dépit des protestations d'Information Canada, selon lesquelles la tâche principale des agents itinérants consiste à mettre en place des réseaux d'information qui puissent être utilisés d'une façon continue, ce qui conduirait éventuellement à la liquidation des postes d'agents itinérants, le Comité considère que, vraisemblablement, ce programme aura pour résultat de créer une situation de dépendance permanente des clients vis-à-vis des agents, ainsi qu'une prolifération incontrôlable de tout l'ensemble du programme. Bien qu'on ait les meilleures intentions du monde et le meilleur personnel, des programmes qui doivent se résorber naturellement peuvent rarement le faire, spécialement s'ils sont financés par la corne d'abondance inexhaustible des deniers publics. En dépit des prévisions les plus encourageantes, formulées par le directeur général d'Information Canada, les dangers que comporte une croissance excessive sont évidents:

> «Le programme d'unités mobiles en Nouvelle-Écosse et au Manitoba coûte environ $200,000—en plus, je suppose, d'une certaine contribution de l'Administration centrale, ce qui donne un chiffre de l'ordre de $250,000 à $260,000, et au lieu de 12 années-hommes il s'agit, peut-être, de 14 à 16 années-hommes si nous utilisons les bénévoles sur place. Nous estimons qu'afin de pouvoir établir un réseau dans tout l'ensemble des provinces de l'Atlantique et des Prairies, c'est-à-dire, dans sept provinces au lieu de deux, y compris le Labrador, il nous en coûtera, au cours de la prochaine année financière, environ $550,000 et environ 40 années-hommes, selon les données actuelles. Par ailleurs, à la fin de l'année financière, nous aurons 51 agents itinérants et autres agents sur place et le coût annuel sera à ce moment-là d'environ $750,000, pour les sept provinces et le Labrador.»
>
> (Procès-verbal, 9:7)

Les dépenses engagées ne seront raisonnables que si l'aspect d'autoliquidation du programme devient une réalité. Le Comité ne croit pas au suicide bureaucratique dans ce cas. Le directeur des opérations régionales a lui-même déclaré que la liquidation de ce projet serait difficile dans certaines régions (Procès-verbal 9:23). Un tel service de consultation individuelle est très coûteux; de plus, il n'a pas sa place au sein d'un service d'information. Comme moyen d'évaluer les programmes d'information du gouvernement, un tel service ne repose pas sur des bases scientifiques et a tendance à tenir compte de tous les facteurs émotifs et culturels, ce qui est inévitable. Une fois de plus, Information Canada n'a pas pour fonction de faire du service social.

L'accueil réservé par les organismes communautaires au programme des agents itinérants a été toutefois très favorable et le Comité est d'avis qu'Information Canada devrait encourager l'utilisation des services et des établissements locaux pour ses services d'information. Les centres communautaires d'information, les bibliothèques, les organismes religieux, etc., devraient posséder la documentation gouvernementale et être à même de fournir les premiers renseignements sur les politiques gouvernementales, les programmes et les services que fournit régulièrement Information Canada, par l'entremise de la poste ou du téléphone. Ces organismes locaux devraient, à leur tour, être encouragés à utiliser au maximum le centre d'information de leur région.

CHAPITRE VI

BUREAUX RÉGIONAUX

Conclusions et recommandations

Les bureaux régionaux d'Information Canada sont utiles là où il y a également des librairies et des centres de renseignements. Partout ailleurs les bureaux régionaux devraient se borner à évaluer l'efficacité de tous les programmes d'information des ministères dans les diverses régions.

a) Il devrait y avoir des bureaux régionaux à Halifax, Montréal, Toronto, Winnipeg et Vancouver uniquement.

b) L'évaluation régionale des programmes d'information des ministères devrait être faite dans une large mesure au moyen de sondages et de préférence par des firmes privées.

Nous avons déjà traité de la question des agents itinérants, et nous nous hâtons de faire remarquer ici que ce service ne forme qu'une partie du programme régional d'Information Canada, ce qui comprend tant les librairies que les centres de renseignements. Nous reparlerons de ces aspects de la question un peu plus tard.

Les opérations régionales comprennent aussi les enquêtes sur les besoins d'information du grand public dans les diverses régions ainsi que l'évaluation des programmes d'information gouvernementaux. Le Comité est d'accord pour que ce travail se poursuive, et pour que les bureaux régionaux coordonnent le travail des services d'information ministériels dans leur domaine respectif. Toutefois, les bureaux régionaux ne devraient pas se multiplier, mais devraient être situés à Halifax, Montréal, Toronto, Winnipeg et Vancouver.

De cette façon, le personnel nécessaire pour mener à bien les opérations régionales d'Information Canada serait relativement peu nombreux et ses principales fonctions seraient d'évaluer l'efficacité des programmes d'information du gouvernement, et de faire des suggestions visant à apporter des améliorations. Les bureaux régionaux devraient mener des enquêtes, là où c'est possible de le faire, sur une base périodique plutôt que permanente, et devraient utiliser à cette fin des entreprises privées, ce qui serait plus rentable que d'employer le personnel régulier.

Il serait opportun, en ce moment, de faire remarquer que l'utilisation des services d'agents d'information itinérants, pour tâter le pouls de l'opinion publique, au sujet des programmes gouvernementaux n'est pas nécessairement la façon la plus efficace de remplir cette fonction, car l'élément humain qui s'y glisserait pourrait inévitablement éliminer quelque validité que puissent renfermer des observations objectives; de plus, du point de vue quantitatif, les opinions reçues ne permettraient pas de formuler de jugement, à moins, naturellement, qu'un nombre considérable d'agents itinérants soient employés à cette fin, en quel cas, le coût en serait prohibitif.

CHAPITRE VII

CENTRE DE RENSEIGNEMENTS

Conclusions et recommandations

L'un des services d'Information Canada qui a eu le plus de succès est celui des renseignements. Il faudrait l'améliorer en le transformant dans une large mesure en service téléphonique.

a) Le nombre de centres de renseignements devrait être restreint aux six centres actuels et aux cinq centres proposés, soit un centre dans chacune des dix provinces en plus d'un centre à Ottawa.

b) Le service de renseignements par téléphone devrait être gratuit pour tout citoyen voulant se mettre en rapport avec un centre de renseignements; ce dernier devrait avoir le personnel et les renseignements voulus pour répondre aux demandes de renseignements et orienter le citoyen vers la source appropriée. Le numéro de téléphone du service devrait recevoir une publicité aussi vaste que possible et être facilement repérable dans l'annuaire téléphonique ainsi qu'à la poste.

c) Les médias d'information devraient être invités à faire connaître au public l'endroit où se trouve, dans chaque province, le Centre de renseignements d'Information Canada.

Le Comité estime que le service de renseignements d'Information Canada est le plus important et l'un des plus utiles du point de vue de l'efficacité des rapports entre les Canadiens et le gouvernement fédéral. Une brève étude des statistiques concernant les centres de renseignements démontre l'importance de ce service.

Selon le rapport d'Information Canada pour l'année financière se terminant le 31 mars 1973, les librairies et centres de renseignements ont répondu à 355,080 demandes de renseignements. En moyenne, il a fallu 8.9 minutes pour répondre aux demandes faites par téléphone tandis qu'on a mis environ 7 jours à répondre aux demandes faites par écrit. On a pu répondre à 49 p. 100 de ces demandes en deux minutes ou moins. Information Canada a révélé au Comité que les centres de renseignements ont répondu à 196,193 des 355,080 demandes faites en 1972-1973. Elles se répartissent de façon suivante:

Centre	*Téléphone*	*Lettres*	*En personne*	*Total*
Halifax	1,350	120	320	1,770
Montréal	45,026	629	1,033	46,688
Ottawa	38,838	29,488	3,620	71,946
Toronto	31,158	424	3,789	35,371
Winnipeg	22,473	714	2,794	25,981
Vancouver	14,437	—	—	14,437
Total	153,282*	31,375	11,536	196,193

Il semble que la réaction du public envers ces centres de renseignements soit très favorable. Il est surtout intéressant de remarquer la forte proportion des demandes par téléphone. Le Comité estime que cette proportion est très significative et il encourage fortement le développement de cette méthode pour renseigner le public. Information Canada créera cinq nouveaux centres de renseignements: en Alberta, en Saskatchewan, au Nouveau-Brunswick, dans l'Île du Prince-Édouard, et à Terre-Neuve, démarche que le Comité approuve, puisqu'elle permettra l'utilisation rationnelle des services d'Information Canada dans chacune des dix provinces. Les centres de renseignements devraient être encouragés à maintenir des rapports avec les provinces afin de pouvoir réacheminer aux organismes provinciaux les requêtes qui les concernent.

L'équipe de recherche du Comité a testé les six centres de renseignements en leur posant certaines questions au téléphone. Les enquêteurs n'ont pas révélé leur identité. Les questions étaient très simples et demandaient des réponses brèves. D'autres étaient plus complexes et demandaient un peu plus d'initiative de la part de l'agent interrogé. Dans presque tous les cas, on a répondu aimablement et les renseignements fournis étaient exacts. Les quelques exceptions, semble-t-il, étaient dues à l'inexpérience ou au manque de formation du personnel, ce à quoi il est facile de remédier.

* La plupart des demandes par téléphone étaient des appels locaux puisque ni le réseau Zenith ni le réseau INWATS ne fonctionnait—voir les pages 29 et 30.

Avant l'instauration de ces centres de renseignements, tout citoyen devait passer par un dédale de ministères et d'organismes fédéraux. Les centres d'information sont le moyen le plus efficace et le plus logique de sortir de ce labyrinthe, et leur utilisation doit être encouragée au maximum.

En même temps qu'il approuve le rôle des centres de renseignements, le Comité est en faveur de l'adoption d'un genre ou autre de service téléphonique pour qu'on puisse encore plus facilement atteindre les services d'Information Canada. C'est l'exemple de la direction de Revenu Canada où l'on s'est servi du Zénith au cours de la période des déclarations d'impôt de 1973 qui a encouragé le Comité à aboutir à cette conclusion. Revenu Canada a commencé à prendre les mesures nécessaires afin de se servir de ce système en juin 1972; ce système est entré en opération au Canada le 2 janvier suivant. L'Agence des Télécommunications Gouvernementales a servi d'intermédiaire entre Revenu Canada et le Réseau Téléphonique Transcanadien. Revenu Canada estime que le système Zénith présente des avantages comme l'indique la diminution d'erreurs sur les déclarations d'impôt de 1972, et continue par conséquent à s'en servir.

Si l'on en croit l'expérience de Revenu Canada, le fonctionnement de ce système n'est pas compliqué. Tout simplement, l'intéressé demande le numéro Zénith à l'opératrice de l'interurbain qui compose le numéro correspondant au centre de renseignements le plus proche. L'appeleur est ensuite mis en contact avec l'agent d'information de cette position Zénith.

Tous les comptes du service Zenith, les listes nominatives et les tarifs interurbains sont envoyés au Réseau Téléphonique Transcanadien, à Ottawa, qui envoie la facture à l'Agence des Télécommunications Gouvernementales, qui la remet à son tour à Information Canada, en ajoutant les frais généraux, qui finance sans arrêt l'activité et qui réduit le coût par appel tout en assurant un accès facile aux lignes téléphoniques.

L'Agence des Télécommunications Gouvernementales nous fait savoir à combien reviendrait l'utilisation du service Zenith par Information Canada. Ces chiffres se trouvent à l'Annexe «A» du présent rapport. Si on additionne les frais annuels estimatifs d'exploitation du système Zenith pour tout le Canada, soit environ $360,000 (Appendice «A») aux frais de rémunération (qui se chiffreraient annuellement à environ $310,000) de 36 agents préposés aux demandes qui s'occupent des postes téléphoniques locaux nécessaires (Appendice «A») page 46, on obtient un total de $670,000. Cette prévision des frais annuels est comparable à celle du directeur général chargé des agents itinérants dans les sept provinces et le Labrador, soit $750,000.

Nous avons aussi reçu de l'Agence des Télécommunications Gouvernementales des chiffres prouvant qu'il y a intérêt à utiliser un autre système, soit INWATS, dans les provinces où ce service est disponible, parce qu'il peut être plus économique. Le système INWATS est un service interurbain de réception à sens unique qui permet à un client de recevoir des appels de régions désignées sans qu'il en coûte quoi que ce soit à celui qui fait l'appel. La plupart des appels INWATS sont faits par celui qui téléphone mais quand le service interurbain automatique n'est pas disponible, on peut établir la communication avec le système INWATS par l'entremise d'un téléphoniste. Le coût du système Zenith augmente avec le nombre d'appels, et selon la longueur et la distance de chaque appel. A un moment donné, le coût est ordinairement supérieur à celui d'un circuit INWATS permanent auquel s'applique un coût maximal pour un nombre illimité d'appels et pour une période illimitée selon la capacité de ce circuit.

A l'Appendice «B», on compare les frais du service Zenith à l'échelle de la province et ceux du service INWATS à l'échelle de la province lorsqu'il est disponible, en prenant le nombre estimatif d'appels par mois et en donnant les frais comparatifs quand le nombre d'appels est multiplié par 200 et 300 p. 100. A l'Appendice «C», on montre qu'une combinaison des services Zenith et INWATS installée d'un bout à l'autre du Canada coûterait environ $309,000 qui, lorsqu'on les ajoute au coût estimatif de 38 agents préposés aux demandes se chiffreraient à $325,000 pour donner un total de $634,000. Nous recommandons cette combinaison.

On reconnaît que le coût de l'un ou l'autre des systèmes accuserait une hausse, due en partie à la croissance démographique et à l'inévitable poussée inflationniste mais surtout à l'usage que font les Canadiens du réseau, qui serait directement lié aux besoins du public en matière d'information.

Bien que l'usage d'un réseau téléphonique présentera presque inévitablement des difficultés au début, une hausse galopante des prix n'en sera pas. Il y aura évidemment un prix initial d'installation couvrant la rémunération des agents supplémentaires qui seront préposés au réseau, mais ce prix ne devrait pas être excessif. En temps utile, quand le volume de communication le justifiera, il faudrait étudier la possibilité d'adopter un taux de base pour un nombre illimité d'appels.

Information Canada demandera à l'Agence des Télécommunications Gouvernementales quel système est le plus économique dans n'importe quelle situation, et obtiendra des renseignements sur la gestion financière et technique permanente du service.

Nous recommandons que le numéro de téléphone d'Information Canada soit imprimé sur la page couverture de chaque annuaire téléphonique. Beaucoup redoutent d'écrire à l'administration et plus encore d'avoir affaire à un bureaucrate. Demander un renseignement par téléphone c'est rester dans l'anonymat, c'est également beaucoup plus rapide et moins intimidant pour ceux dont le niveau d'instruction rend difficile toute communication écrite. Nous ajoutons cependant qu'au cours de la formation des agents préposés aux demandes, il faudrait insister sur la nécessité d'être gentil avec ceux qui veulent vraiment des renseignements ayant trait au gouvernement et de décourager avec fermeté ceux qui ne sont pas sérieux.

Il faudra peut-être un certain temps pour que les gens se familiarisent avec l'idée de faire des appels interurbains, afin d'obtenir des renseignements sur le gouvernement mais en raison du fait que le prix se trouve à être plus directement en rapport avec les besoins du public et étant donné la possibilité de s'adresser au pays tout entier, le Comité estime que cette méthode est la plus économique si l'on veut contacter la majorité des citoyens qui résident en dehors des grands centres urbains, sans qu'il soit question de s'occuper de travail social. La combinaison des systèmes Zenith et INWATS qui exigeront des numéros différents dans diverses provinces est un inconvénient mineur si on pense aux économies possibles et à la grande publicité dont le réseau fera l'objet dans les annuaires téléphoniques, dans les journaux ainsi qu'à la radio et la télévision. Nous recommandons que cette publicité soit faite dans les annuaires téléphoniques ainsi que par la presse écrite et parlée qui devraient être encouragés à faire de la publicité pour les centres de renseignements à titre de service public.

Afin de maintenir l'efficacité des centres d'information, il est nécessaire de développer les services de documentation dont ils dépendent pour faire face aux demandes croissantes du public. On doit continuer à cataloguer les documents publiés par le gouvernement, de manière à ce que les centres d'information puissent renseigner les citoyens d'une façon aussi agréable et efficace que possible.

CHAPITRE VIII

SERVICES DES COMMUNICATIONS

Conclusions et recommandations

Nous appuyons les activités de la direction des services de communications et nous conseillons à Information Canada, lors de l'élaboration de programmes d'information, de ne pas oublier l'avantage financier que représente le recours au secteur privé, ce qui réduit le besoin en personnel permanent.

La direction des services de communications d'Information Canada a un calendrier de travail très chargé. Dans son Rapport Annuel de 1972-1973, Information Canada décrit ses activités comme suit:

> «. . . fournir personnel et ressources aux autres ministères et organismes gouvernementaux et aux autres secteurs d'Information Canada, afin de les aider à élaborer des programmes d'information; coordonner l'information des programmes qui impliquent plusieurs ministères; concevoir des programmes d'information concernant les services et programmes gouvernementaux.»

Dans le domaine de l'aide professionnelle aux autres ministères, Information Canada a aidé à la préparation de la Conférence des chefs des gouvernements du Commonwealth à Ottawa, au mois d'août 1973, en s'occupant de la présentation des publications et autres documents distribués aux délégués et aux représentants de la presse et de l'établissement d'un kiosque de renseignements, d'une librairie et d'un cinéma au centre de renseignements. D'autres réalisations comprennent une campagne publicitaire pour annoncer la politique du gouvernement fédéral sur les langues officielles et les droits et obligations du public en matière d'élections avant l'élection fédérale d'octobre 1972.

Information Canada a par là aidé des organismes qui n'ont pas leurs propres services d'information. Dans d'autres cas, Information Canada a fourni une aide supplémentaire et des experts aux ministères déjà nantis d'un service d'information. Le Conseil du Trésor a demandé et reçu de l'aide pour la préparation de documents pour le budget de 1972 et aussi pour la conception de la brochure de 1973-1974 intitulée «Où va l'argent de vos impôts»; le programme «Été 1972» du Secrétariat d'État pour les jeunes canadiens a reçu de l'aide de la part des agents d'Information Canada, et le ministère des Affaires extérieures a demandé une liste exhaustive de toutes les références scientifiques et techniques gouvernementales et privées, pour l'Agence de Coopération Culturelle et Technique.

La direction s'est aussi engagée dans des projets interministériels y compris la coordination des programmes d'information pour le 23e Congrès de l'Association Internationale Permanente des Congrès sur la navigation à Ottawa en juillet 1973 et le Programme d'Identité Fédérale qui a introduit le symbole de la «barre» verticale suivie de la feuille d'érable, qui identifie les ministères et organismes du gouvernement fédéral et les sociétés de la Couronne.

La direction des communications constitue donc une partie très importante des activités générales d'Information Canada et fournit un exemple vivant de ce que nous voulons dire par orientation et coordination des activités d'information dans les ministères comme en fait état le Chapitre III. C'est ce genre d'activité plutôt que l'inauguration de programmes qui devrait être la principale raison d'être d'Information Canada.

Dans plusieurs domaines, néanmoins, on recommande que le secteur privé soit engagé afin de minimiser les coûts et le personnel. Par exemple, si un certain programme gouvernemental n'atteint pas un segment particulier de la population, il n'est évidemment pas économique de former une équipe d'enquête, puis de la congédier une fois le travail terminé. Il serait mieux de passer un contrat avec le secteur privé au fur et à mesure des besoins au lieu d'encourager la prolifération de commissions ou d'équipes spéciales subventionnées à même les deniers publics.

Dans une certaine mesure, Information Canada a confié à une organisation locale certains travaux et lui a fourni de l'aide financière.

Un grand nombre de situations exigent la participation du gouvernement fédéral dans le domaine de l'information. Mais on le répète: quand il n'y a aucun besoin réel pour la présence permanente du gouvernement, quand le problème est temporaire, ou purement local, le bon sens et la rentabilité veulent que l'on ait recours à du personnel local et temporaire.

Cette recommandation vaut pour tous les services d'information des ministères; où cela est rentable, il faut avoir recours aux organismes privés.

CHAPITRE IX

ÉVALUATION DES ORGANISMES PRIVÉS

Conclusions et recommandations

Les ministères d'État ne pourraient utiliser les services d'organismes privés sans l'approbation d'Information Canada qui, par ailleurs, serait chargé d'évaluer la compétence de ces organismes en fonction des services qui leur sont demandés.

Le Comité a fait savoir qu'on peut souvent justifier l'usage d'installations du secteur privé lorsque les organismes privés sont plus en mesure qu'un ministère du gouvernement d'offrir des services supérieurs ou plus économiques. Le recours aux installations du secteur privé comporte cependant le danger d'abus politiques et Information Canada doit en être constamment cônscient. Les entreprises qui œuvrent dans des domaines comme la publicité et les sondages d'opinion publique sont souvent liées à des gouvernements et à des partis politiques. Afin d'éviter les accusations de protection politique ou de favoritisme, il faudrait avoir recours au plus grand nombre d'organismes possibles, conformément aux exigences du gouvernement en matière de convenance et de compétence. Lorsqu'on fait appel au secteur privé à Information Canada il faudrait bien définir des objectifs précis et demander à ce secteur de fournir des propositions concrètes sur la façon d'atteindre les objectifs fixés, et donner un coût estimatif. Il faudrait divulguer les critères d'évaluation au moment où on les invite à faire les présentations.

Une enquête citée par le Groupe de travail sur l'information gouvernementale n'a pas perdu sa validité au cours des dernières années:

«Le favoritisme est le principal critère de sélection des agences de publicité qui travaillent pour les ministères et les organismes gouvernementaux... Il se fonde sur l'échange d'une faveur contre une autre. Les agences de publicité aident un parti politique et certaines de ses grandes figures en période électorale. Si le mandat du parti est renouvelé, le gouvernement confie aux agences intéressées une partie de sa publicité. Certaines de ces agences, qui ont des commandes gouvernementales très importantes, n'approuvent pas vraiment ce système, et préfèrent être choisies d'après leur valeur qu'au moyen de faveurs administratives proverbiales!»

Le gouvernement s'expose encore aux critiques, et c'est normal, lorsque ses ministères passent des contrats avec des agences privées sans faire une évaluation de leur présentation. De tels arrangements sentent encore le favoritisme, qu'elle que soit la probité du ministre responsable. Il semble que dans l'intérêt de toutes les parties concernées, Information Canada devrait être chargée d'évaluer la compétence des agences privées en fonction des exigences précises des ministères, et les services offerts par elles. Il s'agit d'un domaine où Information Canada devrait jouer à fond son rôle de coordination, à condition qu'il le fasse professionnellement, rationnellement et avec une évidente intégrité.

CHAPITRE X

PUBLICATIONS

Conclusions et recommandations

Nous approuvons généralement les activités de la direction des publications d'Information Canada. Nous apportons cependant quelques réserves:

a) Les six bibliothèques actuelles semblent bien fonctionner et devraient continuer ainsi. Cependant, vu l'importance des frais engagés par ces librairies, nous croyons qu'il ne faut pas en ouvrir d'autres, mais diffuser les publications du gouvernement chez ses dépositaires agréés.

b) Nous considérons que la diffusion des publications gouvernementales constitue un service public extrêmement important. Ainsi, Information Canada devrait continuellement vérifier que les dépositaires agréés mettent bien à la disposition du public les publications gouvernementales.

c) Nous recommandons qu'Information Canada se serve des divers médias pour annoncer qu'on peut se procurer les publications gouvernementales dans ses librairies, chez les dépositaires et par correspondance grâce à un service de commandes très efficace.

d) Il serait souhaitable qu'Information Canada réglemente les ministères à rédiger les publications gouvernementales et à les diffuser. Il faudrait étudier tout particulièrement le volume de publications actuellement distribuées gratuitement par les ministères à des personnes qui, dans bien des cas, ne s'y intéressent absolument pas. Cette pratique devrait être réduite au minimum.

Les librairies tenues par Information Canada à Halifax, Montréal, Ottawa, Toronto, Vancouver et Winnipeg constituent un élément populaire et essentiel de la division de l'édition. Le Comité le reconnaît et en approuve la continuation. Nous approuvons également la décision de ne plus ouvrir de nouvelles librairies, le prix de location de locaux à des endroits bien placés étant prohibitif. Nous suggérons ici, afin de contrôler les coûts, de réévaluer les baux quand ils arrivent à l'expiration. A part dans les six librairies actuelles d'Information Canada, les publications se vendent chez des dépositaires agréés. Il s'agit de librairies commerciales qui ont droit à un rabais sur les publications gouvernementales en échange de leur exposition au même titre que les autres livres. D'après le rapport annuel de 1972-1973, 50 librairies ont passé des accords avec Information Canada, et on s'attend que vers la fin mars 1974, 125 l'auront fait. On encourage également les autres librairies à vendre les publications d'Information Canada en se servant des rabais sur commande (même si ces rabais sont inférieurs à ceux auxquels ont droit les dépositaires agréés). Les livres sont vendus à tous les commerçants, et non pas déposés, ce qui veut dire qu'en cas de mévente, ce sont les commerçants et non Information Canada qui subissent les pertes financières. Actuellement, les revenus d'Information Canada sont versés au Fonds du revenu consolidé.

Information Canada espère qu'à partir du 1er avril 1974, il pourra, grâce à un fonds de roulement, auto-financer ses services d'édition et de distribution. Devenant ainsi pratiquement autonomes, ils auront un caractère commercial, et, la comptabilité étant mieux définie, ils devront viser à une plus grande efficacité pour ne pas opérer à perte.

Pour l'année fiscale 1972-1973, les publications gouvernementales ont produit environ 4 millions de dollars de revenu, ce qui répond à une forte demande de la part du public pour les renseignements qu'il n'hésite pas à payer. Que l'éditeur soit une société privée ou Information Canada, les livres et les brochures intéressant les Canadiens se vendent, et il est plus qu'heureux de voir le contribuable verser volontairement quelques dollars au gouvernement pour services rendus. Le fait que ledit contribuable fait son choix et reçoit quelque chose de matériel en échange de son argent n'a peut-être pas grand-chose à voir. Quoi qu'il en soit, Information Canada est responsable du fonctionnement et de l'efficacité de ce service. Le Comité recommande que l'on vérifie si les librairies et dépositaires agréés distributeurs de publications gouvernementales en encouragent bien la vente et ont en permanence des stocks suffisants des ouvrages courants. Cela n'a pas toujours été le cas, et il semble qu'Information Canada n'ait pas été assez dynamique dans la promotion de ses publications.

Information Canada pourrait contribuer matériellement à la promotion de ses publications au moyen d'une vaste publicité. Cela pourrait se faire sous la forme de messages publicitaires réguliers donnant la liste des publications gouvernementales les plus actuelles, comme les lois fiscales, les conseils économiques aux agriculteurs, et les questions d'intérêt culturel. Cette publicité indiquerait également où se procurer les ouvrages, en donnant le nom des librairies et des dépositaires agréés, comment se les procurer par correspondance et au moyen de cartes de crédit. Il va sans dire que dans ce genre de rapport direct avec le public, la vitesse et l'efficacité seraient primordiales. A cet égard, Information Canada a fait beaucoup de progrès au cours des derniers mois, grâce à la collaboration d'experts de l'extérieur, et nous espérons que ces améliorations vont se poursuivre à mesure que l'organisation se professionnalise. Nous ajoutons toutefois, qu'Information Canada devrait éviter à stimuler la vente de livres particuliers étant donné que cela cause souvent des dépenses injustifiées.

Nous estimons que cette professionnalisation devrait s'étendre à la présentation des publications gouvernementales. Dans son rapport de 1969, le Groupe de travail sur l'information gouvernementale commentait:

> «... l'absence d'une conception graphique dans les services d'information du gouvernement; de là, l'utilisation, dans une même publication, d'un trop grand nombre de caractères et de points d'imprimerie; l'usage impardonnable d'une grande variété de formats; des négligences dans la mention de la source de provenance pour chaque ministère; une impression inégale; un choix discutable des papiers; une mise en page médiocre; l'usage de la couleur et de la photographie aux seules fins de l'ornementation, plutôt que de la communication; et finalement un manque chronique d'imagination dans tout ce qui touche à l'aspect visuel de la communication.»
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> (Communiquer, I, 22)

Il y a eu des progrès depuis le rapport du Groupe de travail, *COMMUNIQUER*, relevant lui-même du mariage exubérant d'un style vif et d'un format sobre et logique. A cet égard, Information Canada devrait être en mesure de conseiller les éditeurs gouvernementaux, de les aider à rédiger leurs rapports et leurs études dans un style lisible et logique, à laisser tomber les chichis: papier de luxe, photos en couleurs, couvertures trop ornées, etc., et à distribuer ces publications dans les milieux appropriés. Nous n'avons que des éloges pour la pratique actuelle de distribuer gratuitement dans les bibliothèques des publications sélectionnées du gouvernement. C'est un moyen relativement peu coûteux et logique d'atteindre le public sans lui imposer de force du matériel.

Nous pensons que certaines publications d'intérêt général, essentielles pour l'information du public, devraient continuer à être diffusées gratuitement par les ministères, particulièrement lorsqu'elles concernent les lois d'urgence, la santé publique et la fiscalité; d'une façon ou d'une autre, c'est le public qui finit par payer.

Depuis l'époque des séances d'information et des communiqués, la communication entre le gouvernement et les clients a fait beaucoup de progrès au chapitre de la diffusion de l'information. C'est un phénomène souvent peu apprécié par les ministères. On entend encore des plaintes au sujet du volume considérable de verbiage gouvernemental qu'on dépose sans faire de distinction sur les bureaux des sénateurs, des députés de la Chambre des communes, des rédacteurs, des hauts-fonctionnaires et autres personnes qui ne portent pas le moindre intérêt au sujet traité. Remettre des documents non lus, qu'il s'agisse d'un ministère ou d'un client, au centre de cueillette du papier utilisé peut représenter le summum du recyclage, mais ce n'est pas à cette fin qu'on fait produire des documents de renseignements à un aussi grand nombre d'agents d'information. Nous estimons que la pratique courante dans certains organismes d'expédier à intervalles réguliers des listes des nouvelles publications gouvernementales, disposées selon le sujet, devrait être appliquée de façon universelle, puisque ce serait beaucoup plus sensé et économique. Le destinataire serait libre de commander les publications qui l'intéressent.

CHAPITRE XI

RADIO ET TÉLÉVISION, PERSONNEL, EXPOSITIONS

RADIO ET TÉLÉVISION

Conclusions et recommandations

Les ministères fédéraux ont souvent tendance à n'avoir recours qu'à la presse écrite et à négliger la radio, la télévision et les techniques audio-visuelles. Information Canada devrait se tenir au fait des dernières découvertes audio-visuelles et conseiller les ministères dans ce domaine.

Il faudrait se servir plus abondamment des techniques créées à l'ère de l'électronique. Information Canada devrait encourager les ministères à faire passer leur message par l'audio-visuel autant que par écrit. Le groupe de travail sur l'information gouvernementale a exprimé cette idée succinctement:

> «Parmi les difficultés auxquelles sont en butte les divers services d'information fédéraux, il faut compter le cloisonnement de leurs activités. Il ne s'agit pas seulement ici des cloisons étanches élevées de ce point de vue entre les divers ministères, ceci est parfaitement normal et répond en partie à la loyauté que l'on doit avoir à l'endroit de celui qu'on sert, mais d'une espèce d'inaptitude de l'esprit à concevoir les outils de communications autrement que comme des réalités distinctes, sans rapport entre elles. Qu'y faire? Peut-être mettre en place un appareil administratif de conception nouvelle, susceptible de rejoindre le public canadien de notre temps grâce à une approche intégrée.»
>
> (Communiquer, I, 31, 32)

Le rapport aurait pu définir un rôle pour Information Canada, qui a déjà pris nettement conscience, grâce à la Direction des expositions, de l'importance des techniques audio-visuelles. Plusieurs témoins ont déclaré au cours d'audiences du Comité que les ministères s'adressent souvent à Information Canada pour obtenir des conseils et du matériel pour les montages audio-visuels des foires et des expositions. Ces présentations peuvent exiger la participation de l'Office national du film, d'Information Canada et du ministère intéressé. Cela représente de plus un rôle de coordination. Pour aller encore plus loin, nous devrions dire qu'en tant que service des ministères gouvernementaux, Information Canada devrait devenir une source d'experts et de matériel audio-visuel, son personnel et son équipement étant maintenus au maximum d'efficacité. Nous ajoutons, par précaution, qu'Information Canada ne devrait pas se lancer dans l'équipement électronique aux dépens du contribuable. Comme l'ont découvert les gouvernements et les corps d'enseignement provinciaux au cours des dernières années, s'engager hardiment dans l'acquisition des derniers appareils audio-visuels coûte cher et ne sert à rien si l'on ne sait pas s'en servir correctement et si les auditeurs éventuels ne comprennent pas le message qu'on leur adresse.

Information Canada devrait cependant finir par être reconnue comme une autorité en la matière, et l'expert incontesté de l'audio-visuel pour l'ensemble des services d'information du gouvernement.

PERSONNEL

Conclusions et recommandations

Information Canada ne devrait pas fournir du personnel chargé de l'information aux ministères, mais plutôt les conseiller quant aux compétences à exiger de ce personnel et aux méthodes d'évaluation de leur travail.

Le Comité estime qu'Information Canada ne devrait pas être un terrain de formation ni un cours d'apprentissage pour le personnel d'information du gouvernement. Il a déjà été dit dans un chapitre précédent qu'Information Canada doit éviter comme la peste de jouer le rôle d'organisme central d'information. Ce rôle ajouterait foi aux reproches que l'on s'est trop souvent plu à lui lancer en l'appelant «Propagande Canada». Ce rôle vis-à-vis du personnel devrait plus précisément se limiter à conseiller les ministères du gouvernement sur les qualifications requises et les normes demandées pour les agents d'information occupant des postes particuliers.

En conséquence, Information Canada devrait également mettre au point des méthodes d'évaluation du travail du personnel d'information, en vue d'améliorer la qualité de l'information gouvernementale. Pour la quantité, nous sommes déjà servis et c'est, dans de nombreux cas, une cause d'insuccès, car trop souvent le message est enseveli sous un tas de déclarations ennuyeuses. Avec toutes les ressources et les possibilités dont il dispose, le gouvernement peut certainement se permettre d'attirer des agents d'information de grande envergure. Il revient à Information Canada de maintenir un bon niveau.

EXPOSITIONS

Conclusions et recommandations

Nous approuvons les activités de la direction des expositions d'Information Canada.

La direction des expositions joue un rôle très appréciable en créant et présentant des expositions tant au Canada qu'à l'étranger selon les besoins et les précisions des ministères et organismes du gouvernement. Au cours de l'exercice financier 1972-1973, la direction des expositions a créé 153 expositions dont les 3/5 étaient destinés au pays et le reste à la scène internationale, et elle s'est vue attribuer plusieurs prix pour ses affiches, ses représentations graphiques et ses dessins d'expositions. Les principales expositions d'outre-mer auxquelles Information Canada a participé sont l'exposition commerciale du Canada à Pékin et la troisième foire annuelle asiatique à la Nouvelle Delhi; au Canada, le personnel d'Information Canada a travaillé aux expositions mises au point pour célébrer le centenaire de la Gendarmerie Royale.

Le service de photothèque de la direction des expositions a une collection de plus de 300,000 photographies et offre son aide aux ministères du gouvernement lorsqu'ils ont des commandes photographiques. Il y a de plus, un service de photoreportage—«fotomédia»—qui est utilisé par les journaux et les magazines nationaux, et de nombreux reportages sont envoyés à l'étranger par le ministère des Affaires extérieures.

Il est bon de souligner qu'Information Canada a rendu au public canadien un service inestimable en sortant de l'oubli l'héritage graphique, en le mettant sous forme de catalogue et en faisant des reproductions de photographies pour les mettre à la disposition des secteurs public et privé.

APPENDICE «A»

SERVICE ZENITH—ÉVALUATION DES FRAIS

RÉCAPITULATION

Proposition............................	Fournir un service national Zenith pour les besoins d'Information Canada	
Total des frais mensuels........	Installations téléphoniques locales..$	625.00
	Frais prévus pour les appels téléphoniques Zenith..................	24,465.00
	Frais d'annuaires.........................	4,850.00
	Total mensuel..............................$	29,940.00
	Dépenses extraordinaires Approx...$	500.00
Total des frais annuels..	$29,940.00 × 12..........................$	359,280.00
		(Arrondi à $ 360,000.00)

Note 1—Des téléphones locaux individuels sont nécessaires pour répondre aux appels Zenith reçus comme cela est indiqué à la page 46. Les coûts du personnel nécessaire pour répondre à ces appels devront s'ajouter aux frais notés ci-dessus.

Note 2—Les frais d'annuaire mentionnés comprennent $1,700 par mois pour une deuxième liste bilingue.

VENTILATION DES FRAIS MENSUELS ET AUTRES DÉPENSES PRÉVUES

Destination	*Nombre d'appels Zenith prévus par mois*	*Lignes téléphoniques locales nécessaires pour répondre aux appels Zenith*[1]	*Prix de revient mensuel des lignes locales*[2]	*Dépenses prévues pour les appels Zenith*[3]	*Dépenses mensuelles*
Pour St-Jean (T.-N.)..	203	2	$ 50.00	$ 746.03	$ 796.03
Pour Charlottetown....	45	1	22.50	165.38	187.88
Pour Halifax...............	289	3	45.95(G)	1,062.08	1,108.03
Pour Moncton.............	290	3	48.75(G)	1,065.75	1,114.50
Pour Montréal...........	1,636	6	108.75(G)	6,012.30	6,121.05
Pour Toronto[4]...........	1,639	6	108.60(G)	6,023.33	6,131.93
Pour Winnipeg...........	223	2	29.60(G)	819.53	849.13
Pour Saskatoon..........	390	3	35.65	1,433.25	1,468.90
Pour Edmonton.........	607[5]	3	47.80(G)	2,267.48	2,315.28
Pour Vancouver.........	632[6]	3	61.15(G)	2,285.85	2,347.00
Pour Ottawa[4].............	703	4	65.75(G)	2,583.53	2,649.28
Listes pour les annuaires Zenith....					4,850.00
Totaux........................			$624.50	$24,464.51	$29,939.01

1 On prévoit une même durée moyenne pour les appels, c'est-à-dire neuf minutes comme pour les appels locaux de demandes de renseignements.

2 Comprend 25 p. 100 d'équipements supplémentaires; lorsque la somme est suivie d'un (*G*) cela comprend la participation aux frais locaux ATG.

3 On prévoit un coût moyen par appel téléphonique de $3.50 en fonction de la durée moyenne de l'appel et du nombre de bureaux concernés.

4 Les appels Zenith pour l'Ontario sont prévus comme suit: 70 p. 100 pour Toronto et 30 p. 100 pour Ottawa.

5 Comprend les appels téléphoniques Zenith des Territoires du Nord-Ouest.

6 Comprend les appels téléphoniques Zenith du Yukon.

RÉPARTITION DES APPELS TÉLÉPHONIQUES ZENITH PRÉVUS

	*Population provinciale**	*Population se trouvant dans la zone d'appels gratuits*	*Population Zenith*	*Nombre d'appels téléphoniques Zenith prévus par mois*
T.-N.	541,000	135,028	405,972	203
Î.-P.-É.	115,000	25,869	89,131	45
N.-É.	805,000	227,642	577,358	289
N.-B.	652,000	73,022	578,978	290
Qué.	6,081,000	2,809,045	3,271,955	1,636
Ont.	7,939,000	3,255,374	4,683,626	2,342
Man.	998,000	553,434	444,566	223
Sask.	908,000	129,532	778,468	390
Alb.	1,683,000	507,788	1,175,212	588
C.-B.	2,351,000	1,108,329	1,242,671	622
Yukon	20,000	—	20,000	10
T.N.-O.	38,000	—	38,000	19

NOTE: D'après un service d'information nationale gratuit existant, il est apparu que pour les appels locaux, le nombre d'appels par unité de population est 5 fois plus important que celui des appels Zenith.

Ce rapport de 1 pour 520 personnes pour les appels locaux se traduirait par 1 pour 2,600 personnes pour les appels Zenith. Nous avons choisi 1 pour 2,000 personnes par souci d'estimation prudente.

*Au 16 janvier 1974, d'après M^{lle} Rooney, de Statistique Canada.

RÉPARTITION DU NOMBRE D'APPELS ATTENDUS PAR UNITÉ DE POPULATION

	Population prévue en 1973 (Majorée de 2.438% par rapport à 1971)*[1]	*Moyenne des appels locaux enregistrés par mois, d'avril à novembre 1973*[2] *(d'après les données d'Information Canada)*	*Moyenne des appels locaux prévus et enregistrés par mois en 1973*
St-Jean (T.-N.)	135,028	INDISPONIBLE	260
Charlottetown	25,869	INDISPONIBLE	50
Halifax	227,642	413	413
Moncton	73,022	INDISPONIBLE	141
Montréal	2,809,045	4,230	4,230
Toronto	2,791,116	2,376	2,376
Winnipeg	553,434	2,443	2,443
Saskatoon	129,532	INDISPONIBLE	250
Edmonton	507,788	INDISPONIBLE	977
Vancouver	1,108,329	2,551	2,551
Ottawa	464,258	3,312	3,312

Unité de population moyenne par appel local en fonction des données existantes = $\dfrac{\text{Population: 7,953,824}}{\text{Appels locaux: 15,325}}$ = Un appel local par unité de population de 520 personnes

[1] Au 16 janvier 1974, d'après M^lle^ Rooney de Statistique Canada.
[2] Durée des appels locaux: 8.9 minutes.
Indisponible: Aucune donnée n'a pu être recueillie vu qu'il n'existe pas de centre de sondage.

APPENDICE «B»

FRAIS RELATIFS DES SYSTÈMES ZENITH ET INWATTS

Centre de renseignements	*Nombre d'appels prévus par mois*	*Lignes téléphoniques locales nécessaires pour répondre aux appels Zenith*[1]	*Coût mensuel des lignes Zenith locales*[2]	*Dépenses prévues pour les appels Zenith*[3]	*Dépenses totales mensuelles du Zenith*	*Nombre de circuits INWATS*	*Dépenses totales mensuelles du INWATS*
St-Jean[6]................................	203	2	$ 50.00	$ 746.03	$ 796.03		
	406	3	75.00	1,492.05	1,567.05		
	609	4	100.00	2,238.08	2,338.08		
Charlottetown[6].......................	45	1	22.50	165.38	187.88		
	90	2	45.00	330.75	375.75		
	135	2	45.00	496.13	541.13		
Halifax[6]................................	289	3	45.95(G)	1,062.08	1,108.03		
	578	4	61.28(G)	2,124.15	2,185.43		
	867	4	61.28(G)	3,186.23	3,245.51		
Moncton................................	290	3	48.75(G)	1,065.75	1,114.50	3	*$ 693.63
	580	4	65.00(G)	2,131.50	2,196.50	4	* 1,433.88
	870	4	65.00(G)	3,197.25	3,262.25	4	* 1,833.72
Montréal................................	1,636	6	108.75(G)	6,012.30	6,121.05	6	* 3,530.36
	3,272	9	163.17(G)	12,024.60	12,187.77	9	* 6,104.70
	4,908	12	217.56(G)	18,036.90	18,254.46	12	* 8,598.98
Toronto[4]................................	1,639	6	108.60(G)	6,023.33	* 6,131.93	6	7,189.61
	3,278	9	162.90(G)	12,046.65	*12,209.55	9	12,486.08
	4,917	12	217.20(G)	18,069.98	18,287.18	12	*17,623.73

Centre de renseignements	*Nombre d'appels prévus par mois*	*Lignes téléphoniques locales nécessaires pour répondre aux appels Zenith*[1]	*Coût mensuel des lignes Zenith locales*[2]	*Dépenses prévues pour les appels Zenith*[3]	*Dépenses totales mensuelles du Zenith*	*Nombre de circuits INWATS*	*Dépenses totales mensuelles du INWATS*
Winnipeg	223	2	$ 29.60(G)	$ 819.53	$ 849.13	2	*$ 539.18
	446	3	44.40(G)	1,639.05	1,683.45	3	* 1,155.00
	669	4	59.20(G)	2,458.58	2,517.78	4	* 1,579.73
Saskatoon	390	3	35.65	1,433.25	1,468.90	3	* 1,082.55
	780	4	47.52	2,866.50	2,914.02	4	* 1,939.35
	1,170	5	59.40	4,299.75	4,359.15	5	* 2,568.30
Edmonton[5,6]	617	3	47.80(G)	2,267.48	2,315.28		
	1,234	5	79.65(G)	4,534.95	4,614.60		
	1,851	7	111.51(G)	6,802.43	6,913.94		
Vancouver	622	3	61.15(G)	2,285.85	* 2,347.00	4	2,688.53
	1,244	5	101.90(G)	4,571.70	4,673.60	5	* 4,559.63
	1,866	6	122.28(G)	6,857.55	6,979.83	6	* 6,347.25
Ottawa[4]	703	3	65.75(G)	2,583.53	2,649.28	4	* 2,147.25
	1,406	6	131.52(G)	5,167.05	5,298.57	5	* 3,604.65
	2,109	7	153.44(G)	7,750.58	7,904.02	7	* 4,885.65

[1] On prévoit une même durée moyenne pour les appels, c'est-à-dire neuf minutes comme pour les appels locaux de demandes de renseignements.

[2] Comprend 25 p. 100 d'équipements supplémentaires; lorsque la somme est suivie d'un (*G*) cela comprend la participation aux frais locaux ATG.

[3] On prévoit un coût moyen par appel téléphonique de $3.50 en fonction de la durée moyenne de l'appel et du nombre de bureaux concernés.

[4] Les appels Zenith pour l'Ontario sont prévus comme suit: 70 p. 100 pour Toronto et 30 p. 100 pour Ottawa.

[5] Comprend les appels téléphoniques des Territoires du Nord-Ouest et du Yukon.

[6] Aucun service INWATS prévu pour la province.

* Coût minimum.

APPENDICE «C»

FRAIS DES SYSTÈMES COMBINÉS ZENITH ET INWATS

Extrait de l'Appendice «B»

Lieu	*Coût mensuel*	
Pour St-Jean	$ 796.03	(Zenith)
Pour Charlottetown	187.88	(Zenith)
Pour Halifax	1,108.03	(Zenith)
Pour Moncton	693.63	(INWATS)
Pour Montréal	3,530.36	(INWATS)
Pour Toronto	6,131.93	(Zenith)
Pour Winnipeg	539.18	(INWATS)
Pour Saskatoon	1,082.55	(INWATS)
Pour Edmonton	2,315.28	(Zenith)
Pour Vancouver	2,347.00	(Zenith)
Pour Ottawa	2,147.25	(INWATS)
Coût des annuaires	4,850.00	
Total mensuel	$25,729.12	

Coût total annuel $25,729.12×12=$308,749.44
(Arrondi à $309,000.00)

APPENDICE «D»

DÉFINITIONS

Les définitions suivantes sont tirées du «Guide d'administration financière pour les ministères et organismes du gouvernement du Canada».

Un programme—est un ensemble d'activités ministérielles connexes conçues pour atteindre des objectifs précis autorisés par le Parlement.

Les activités—sont des moyens différents ou auxiliaires en vue d'attein-un objectif ou une série d'objectifs d'un programme. Ce terme sert également à identifier le palier supérieur de la classification des activités, ou première division d'un programme, utilisé habituellement dans les budgets des dépenses présentés au Parlement.

Les définitions suivantes sont tirées de «Réforme administrative RA-8-66 datées du 4 août 1966»

Article de dépenses—classification de dépenses selon leur nature (p. ex. traitements, salaires, fournitures et approvisionnements, construction.) Les articles sont classés comme il suit:

Les articles se répartissent comme suit:

(i) *article d'exécution*—classification ministérielle de dépenses à la source. Il peut coïncider avec l'article économique ou en représenter une subdivision.

(ii) *article économique*—classification nécessaire à l'*analyse économique.* Il est identique à l'article d'exécution ou consiste en un groupe d'articles d'exécution. (Voir Appendice «B».)

(iii) *article de rapport*—classification nécessaire au contrôle de la gestion. Il consiste en un groupement d'articles économiques ou d'articles d'exécution.

(iv) *article courant*—groupement d'articles de rapport pour les fins du contrôle exécutif et parlementaire jusqu'à ce que les ministères recourent à des moyens de contrôle plus efficaces à l'aide du budget par programme établi par *secteur d'activité et centre de responsabilité*.

(v) *article d'actif*—*codage dérivé* pour désigner une *formation immobilière* résultant de l'utilisation par un ministère de ses propres ressources (p. ex. la main-d'œuvre et les matériaux) à des *projets d'immobilisation*, y compris les réparations lorsque leur coût est assez élevé.

APPENDICE «E»

TÉMOINS AYANT COMPARU DEVANT LE COMITÉ

Numéro du fascicule	*Date*		
4	6 juin	M. Guy D'Avignon............	Directeur général Information Canada
		M. A. G. Trickey...............	Directeur général adjoint Information Canada
4	6 juin	M. J. A. Murphy...............	Directeur des services de l'information Ministère de l'Industrie et du Commerce
		M. G. L. Bradley................	Directeur adjoint des foires et missions Ministère de l'Industrie et du Commerce
4	6 juin	M. Arthur Blakeley............	Tribune de la presse
5	7 juin	L'hon. John Munro............	Ministre du travail
5	7 juin	M. Guy D'Avignon............	Directeur général Information Canada
		M. A. G. Trickey...............	Directeur général adjoint Information Canada
		M. Claude Beauchamp.......	Chef, Division de l'Édition Information Canada

Numéro du fascicule	*Date*		
5	7 juin	M. David Monk.................	Directeur des Communications, Information Canada
5	7 juin	M. G. M. Carman.............	Directeur général, Division de l'Information Ministère de l'Agriculture
6	13 juin	M. John McLeod..............	Direction des relations publiques Ministère du Travail
6	13 juin	M. Guy D'Avignon............	Directeur général Information Canada
		M. A. G. Trickey...............	Directeur général adjoint Information Canada
		M. Tom Ford......................	Directeur Opérations régionales Information Canada
		M. J. Creighton Douglas..	Directeur Expositions Information Canada
6	13 juin	L'hon. C. M. Drury...........	Président du Conseil du Trésor
		M. B. A. MacDonald..........	Secrétaire adjoint Direction des programmes Conseil du Trésor
		M. D. G. Hartle.................	Sous-secrétaire Direction de la planification Conseil du Trésor
8	22 nov.	M. Guy D'Avignon...........	Directeur général Information Canada
		M. A. G. Trickey...............	Directeur général adjoint Information Canada
		M. Tom Ford.....................	Directeur Opérations régionales Information Canada

Numéro du fascicule	*Date*		
8	22 nov.	M. Don Padmore................	Directeur régional Région d'Halifax Information Canada
		Mme Barbara Nickerson.....	Agent d'information itinérant Information Canada
9	5 déc.	M. Guy D'Avignon............	Directeur général Information Canada
		M. Eric Miller.....................	Sous-directeur général Information Canada
		M. A. G. Trickey...............	Directeur général adjoint Information Canada
		M. Tom Ford......................	Directeur Opérations régionales Information Canada
10	6 déc.	M. L. M. Smith.................	Directeur Services d'information Division de l'Impôt Ministère du Revenu national
10	6 déc.	M. C. Pilon........................	Directeur Services d'information Division des Douanes et Accise Ministère du Revenu national