

The Olympic Stamp ProgramLe programme des timbres olympiques

The Cabinet had for consideration a memorandum from the Postmaster General (Cab. Doc. 518-76, dated October 21, 1976) and a Report of the Cabinet Committee on Culture and Native Affairs (518-76CR, dated October 28, 1976) concerning a termination schedule for the Olympic Stamp Program.

The initial issue confronting Cabinet was whether it would be legal to sell sets containing both Olympic and non-Olympic postage stamps after December 31, 1976, crediting the Post Office instead of the Olympic Stamp Program with the proceeds from the sale of the Olympic Stamps.

The Prime Minister observed that, while there were no legal objections to pursuing this course, it could lead to political difficulties and asked whether it would be possible to transfer the revenues from the sale of the Olympic stamps to the Comité Organisateur des Jeux Olympiques (COJO).

The Postmaster General advised that direct payments could be made to COJO only if the existing Post Office Act were amended to permit it. The Minister of Justice confirmed that the proceeds from the sale of the stamps in question had legally to be credited to postal revenues. Mr. Blais indicated, however, that a payment equal to the revenues involved could be made to COJO by means of a dollar item in the next Post Office Supplementary Estimates. This course would not, he felt, give rise to a great deal of House debate.

The Prime Minister also asked whether the acquisition of Olympic Stamp Sculptures by the Public Affairs Branch of the Post Office should be at cost or at market price. Mr. Blais noted that only a small number of the surplus sculptures were to be acquired by the Post Office, for presentation purposes. The bulk would be melted down. If the view of Cabinet were that these stampings should be acquired at market price, a payment in respect of the additional revenue received could be credited to COJO. The Prime Minister indicated that the difference between the cost price and the market price should be transferred to COJO in the same Supplementary Estimates as had been referred to earlier in the discussion.

The Cabinet agreed that, except as provided under 4. below:

1. all sales of Olympic postage stamps and related products cease on 31 December 1976;
2. all orders received or post-marked on or before 31 December 1976 be filled by 31 March 1977;
3. all royalty payments accruing to the Olympic Stamp Program be paid to the Department of Finance's Olympic Account by 31 March 1977;

Le Cabinet convient que, sous réserve du paragraphe 4. ci-dessus:

1. la vente des timbres et articles postaux connexes des Jeux olympiques cesse le 31 décembre 1976;
2. toutes les commandes reçues ou oblitérées le ou avant le 31 décembre 1976 soient exécutées avant le 31 mars 1977;
3. toutes les redevances échéant au programme des timbres olympiques soient versées au compte des Jeux olympiques du ministère des Finances avant le 31 mars 1977;

4. with regard to Canada Post products containing both Olympic and non-Olympic postage stamps, that is:
- the 1975 and the 1976 Annual Souvenir Collections,
 - the Semi-Annual Pre-Packs of Postage Stamps (first and second half of 1975 and first and second half of 1976), and
 - the Semi-Annual Pre-Packs of First Day Covers (first and second half of 1975 and first and second half of 1976),

the termination plan would allow for:

- (a) the continuation of the sale of those products after 31 December, 1976,
- (b) the deposit of revenues from this sale in the consolidated revenue fund in order that they be credited to Canada Post instead of accruing to the Olympic Stamp Program (and the Department of Finance's Olympic Account),
- (c) the net revenues attributable specifically to the sale of Olympic stamps included in the revenues referred to in (b) above to be transferred to the Comité Organisateur des Jeux Olympiques (COJO) through the medium of a one dollar item in the Post Office Supplementary Estimates;

4. relativement aux articles des Postes canadiennes qui contiennent des timbres olympiques et autres, soit:

- les collections-souvenirs annuelles de 1975 et de 1976,
- les pochettes semestrielles de timbres (premier et second semestres de 1975, premier et second semestres de 1976), et
- les pochettes semestrielles d'enveloppes Premier jour (premier et second semestres de 1975, premier et second semestres de 1976),

le plan établi pour mettre fin au Programme permette:

- (a) de poursuivre la vente de ces articles après le 31 décembre 1976,
- (b) de verser les recettes de cette vente au Fonds du revenu consolidé afin qu'elles soient portées au compte du ministère des Postes et non pas à celui du programme des timbres olympiques (et au compte des Jeux olympiques du ministère des Finances),
- (c) de transférer au Comité organisateur des Jeux olympiques (COJO) par l'insertion d'un poste de un dollar dans le budget supplémentaire du ministère des Postes, les revenus nets provenant exclusivement de la vente de timbres olympiques inclus dans les recettes visées à l'alinéa b) ci-dessus;

5. purchases of Olympic Stamp Sculptures remaining unsold after 31 December, 1976, out of the budget of the Public Affairs Branch of Canada Post would be at market price, with the difference between costs and the proceeds of such sales at market price being transferred to COJO in the same Supplementary Estimates as those referred to in 4 (c) above.
6. the termination of the program be carried out in accordance with the plan set out in the annex attached hereto.
5. les timbres olympiques en métal précieux invendus le 31 décembre 1976 pourront être achetés au prix du marché à même les fonds de la Direction des affaires publiques des Postes canadiennes, la différence entre les coûts et le produit de ces ventes au prix du marché étant transférée au COJO dans le cadre du budget supplémentaire visé à l'alinéa 4 c) ci-dessus;
6. il soit mis fin au programme conformément au plan qui figure à l'annexe ci-après.

Government's Response to the Auditor General's Report

Suites données au rapport de l'auditeur général

The Cabinet had for consideration its decision 5087-76RD of December 2, 1976, a report from the Ad Hoc Committee of Ministers on Foreign Sales Practices of its meeting on December 7, 1976, and a memorandum from the Minister of Supply and Services proposing a policy and guidelines which would cover the practices of federal crown corporations operating abroad.

Before discussing the government's response to specific criticism in the Auditor General's report, the President of the Treasury Board drew Ministers' attention to a question that had been placed on the Order Paper by the member for Leeds, Mr. Tom Cossitt. The question, addressed to all departments and agencies, asks whether departments have purchased or leased vehicles for the use of Ministers, and if Ministers continue to draw their annual car allowance of \$2,000. He said that a considerable number of departments had purchased vehicles, or were about to do so. The cost of running these vehicles was being met from departmental budgets, but Ministers continue to receive a tax-free allowance of \$2,000 annually. This allowance was supposed to cover the cost of operating a vehicle on official business. The President of the Treasury Board was concerned that this practice, which the replies to the question on the Order Paper would disclose, would embarrass the government. In his view, the choice before Ministers was either to have their confidential messenger drive the departmental car, and pay him a mileage allowance from the Minister's annual allowance, or have the confidential messenger drive the personal car of the Minister, with the Minister absorbing the cost of running it from his annual allowance.