

*Waste and Mismanagement*

the will of parliament. In the motion there is talk of waste, management, and expeditiously doing our work. It also questions whether we will do the spending according to the will of parliament. I will mention briefly some of the measures taken to provide improved disclosure of information to parliament.

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In September, 1973, the Treasury Board published a guide on financial administration for departments and agencies of the Government of Canada. The guide is the policy of the government on financial administration in departments and agencies. It also provides directives and guidelines for a course of action for deputy heads to follow in discharging their responsibilities in financial administration, including the utilization of appropriation authority according to the will of parliament. The guide is designed not only to explain to managers their responsibility to control appropriations approved by parliament, but to provide useful direction for establishing the cost of program achievements or outputs to ensure that results attained would have the maximum effectiveness and efficiency in the use of public funds.

This guide directs that for any appropriations by parliament, the department classification shall be threefold; first, by activity element to make visible the cost of obtaining the output or benefits to be derived from expenditures; second, by responsibility centres to identify who is accountable internally; third, by objective of expenditure to provide a standard for identifying the acquisition of an asset and the utilization of those resources in producing benefits to the public. This hardly sounds like a government which has gone willy-nilly and not indicated ways in which parliament can be informed and cannot inquire into how the will of parliament is being followed through in the expenditure of funds.

These three characteristics of financial administration, which are emphasized in this guide, are financial disclosure, which is concerned with providing information to parliament; accountability displaying information by organizational components to identify financial responsibility; and control whereby only those with properly delegated authority can authorize the use of appropriations for purposes for which they were approved by parliament.

If we do not use these guides which are available to us and ask questions concerning them, and directly get into the government's business and its spending of funds, how can we sit here and talk about waste and mismanagement? We all serve on committees. Each of us has a responsibility. The guidelines are set out to make the information available to us.

On October 7, 1975, two years later, the Treasury Board's report on the study of the accounts of Canada was issued. This report set forth findings, analyses, and recommendations of the representatives of the Treasury Board, the Department of Finance and the Department of Supply and Services, and the terms of reference approved by Treasury Board. The 41 recommendations contained in this report were unanimously accepted by the executive, the office of the Auditor General and the public accounts committee. These are now being

[Mr. MacFarlane.]

implemented. However, I still continue to hear charges that nothing has been done.

These recommendations focused on the manner in which information is reported, and addressed such items as the annual base of most parliamentary appropriations, including the need for any limitation on commitments applicable to future years, the vote structure used in the estimates, including the effect of allocations of costs between votes, cost recovery techniques and net voting, information reports, including the summary statements in the estimates, the *Canada Gazette* and, of course, the public accounts. Many of the recommendations in this study have now been implemented, and others are near completion.

We seem to be faced with a feeling that everything must be done, that somehow governments must take a big brush and, if white is beautiful, paint it white, and if black is beautiful, paint it black. It does not happen that way. We go through several shades of grey to get to either white or black. Things do not happen overnight. The sun rises and the sun sets. Some people seem to think that if they were in power, suddenly in one moment they could change it all and everyone would find it all correct. But they would find as many complications as this government has. The important thing is to react to whatever is happening and change policy in mid-stream as a result. There is always someone who says that the previous policy was no good. But it was good for its time, and change had to take place.

Of major interest in this context is the study of the form of the estimates. In the spring of 1978 the program branch of the Treasury Board secretariat, in conjunction with the office of the Comptroller General, formed a task force to study the estimates. The objectives of this study are to evaluate known criticisms of the estimates, to design a presentational format for the estimates which will assist in a better understanding and more meaningful discussion of the government's spending plans to consult with members of parliament departments, and others regarding the design proposal, and to develop plans, procedures, and guidance to implement an agreed upon approach.

Those words are most important in the kind of government which exists in Canada, not just the government per se on this side. It says "an agreed upon approach." There are many people with expertise on the other side who can say what is required so they can better understand. They are invited to be part of that ongoing system which will make a more meaningful study of estimates possible.

A basic principle has been proposed by this task force. In its statement on the proposal of the progress of this work, the secretary of the Treasury Board recently told the public accounts committee that the role of the estimates committee is to communicate to parliament the level and the nature of the government's spending plans for the coming fiscal year as a reflection of government policies and priorities, and to foster the public understanding of the purposes and objectives underlying the spending plans.