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Mr. Knowles: Mr. Chairman, the parliamentary secretary has given us the history of the appointment of these various firms of auditors across the years. There is one stage in that history which seems to have escaped me. I understand how Clarkson, Gordon were appointed. I understand how George A. Touche were appointed. I understand how Mr. de Lalanne was appointed. But how did McDonald, Currie get appointed for 1963?

Mr. Benson: Mr. de Lalanne, as I understand the situation, was a partner in the firm of McDonald, Currie and Company; I assume I am correct in this. As I understand the situation, Mr. de Lalanne in 1963, at a time when this government was not in power, felt that the job was too onerous for him to carry on under his person and it was turned over to the firm of McDonald, Currie and Company.

Mr. Knowles: Perhaps I will satisfy my hon. friend for St. Boniface with a point of order yet. I understand the auditors of the Canadian National Railways have to be appointed annually by parliament. Since when did Mr. de Lalanne take the place of parliament and appoint McDonald, Currie and Company?

Mr. Benson: He did not take the place of parliament. As I explained earlier, legally perhaps the auditors for 1963 for the C.N.R. are not yet appointed because they are included in the C.N.R. financing bill which has not got through the House of Commons.

Mr. Pickersgill: It has been given first reading.

Mr. Benson: This will officially sanction the position taken at the beginning of the year, when McDonald, Currie and Company took on the audit for 1963.

Mr. Knowles: McDonald, Currie and Company have been doing the audit for the months thus far of 1963 without authorization. Is that correct? If parliament did not pass the bill or if it amended it to cut that firm out, we would then have a nullity as far as the audit for 1963 is concerned. Is that the situation? Then someone did exercise the prerogative of parliament at the beginning of 1963.

The Chairman: Shall clause 1 carry?

Some hon. Members: Carried.

Clause agreed to.

The Chairman: Shall the title carry?

Mr. Leboe: I just want to ask a question. Is it not possible to have these auditors submit bids? The parliamentary secretary says

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that there are four capable auditors in Canada. Is it not possible to submit a bid on this matter? In this way we could get away from this type of thing.

Mr. Benson: Mr. Chairman, I would hate to see us come to the position in Canada where we employed professional people such as lawyers or accountants on a bid basis.

Mr. Fisher: Is the hon. member making some kind of distinction between a professional person such as an accountant or a lawyer and, say, a contracting firm or group of businessmen?

Some hon. Members: Carried.

Mr. Fisher: I would like an answer. Is that what he is suggesting?

Mr. Benson: I can answer this very quickly. The rules of etiquette of professional associations do not permit them to tender on audits. This is quite proper and is in the code of ethics of this particular profession.

Mr. Leboe: I am sure the large private companies do.

Mr. Benson: I can assure the hon. member, having been a chartered accountant and a member of the profession, that in the profession it is forbidden to tender on audits of firms.

Mr. Nowlan: And you would be disqualified if you did.

Mr. Benson: Certainly you would be disqualified if knowledge of such action came into the possession of the professional institute of which you were a member.

An hon. Member: How does this relate to civil rights?

Title agreed to.

Bill reported.

Mr. Deputy Speaker: When shall the bill be read the third time? By leave, now?

Mr. Knowles: Next sitting of the house.

CURRENCY, MINT AND EXCHANGE FUND ACT

AUTHORIZATION TO PURCHASE SECURITIES OF INTERNATIONAL MONETARY FUND

Hon. J. W. Pickersgill (for the Minister of Finance) moved the second reading of Bill No. C-106, an act to amend the Currency, Mint and Exchange Fund Act.

Mr. E. J. Benson (Parliamentary Secretary to Minister of Finance): When the resolution relating to this amendment was considered by the house last Friday, November 15, I made an explanatory statement of some