

*Financial Administration Act*

Treasury Board have made it clear as to what these responsibilities will be. The Auditor General has urged that this new office be created to watch the situation, and there are some very knowledgeable people on the Standing Committee on Public Accounts who will be watching with astute interest and who will be very anxious to see what is happening. If this new office fails, it will be our fault for not following through with a continuous watch on procedures and on improvements. I question whether we should tie the new comptroller general into a strait-jacket. He comes to us well recommended and with a reputation for great ability at organization.

I suggest that the new comptroller general be given a period of time to review procedures and the concerns which are on record, and to meet with the Auditor General, the President of the Treasury Board, and the various officers of the Treasury Board. I can see coming out of that a pattern of gradual organization which will last well into the future. If that does not happen, then we in this House must again make demands through the Standing Committee on Public Accounts.

Let us not forget the important distinction between the responsibilities of the comptroller general and those of the Auditor General. I remind hon. members that the comptroller general, as the most senior financial officer of the government, must be responsible for the introduction and implementation of sound financial systems and the correction of defective systems, and can be accountable to parliament for the financial policies of the Treasury Board and for their successful implementation. The Auditor General, on the other hand, as an officer of parliament, must be responsible to the House of Commons for the annual statutory review of the accounts of Canada and for the identification of financial mismanagement, inefficiency, waste and so forth in government departments, agencies and Crown corporations owned or controlled by the government, including the office of the comptroller general.

The duties of the Auditor General are well established. The function of the Public Accounts Committee of reviewing the progress of departments, agencies, and Crown corporations and their financial management and control systems is also established. That review process is well in place and working. The committee calls before it only those departments, agencies, and Crown corporations which are not making a truly genuine effort to put sound accounting and financial management and control systems into place. The challenge ahead for the committee and for the comptroller general is to implement value for money concepts for which I think every taxpayer in Canada would be very grateful.

Let us not forget the importance of the role of the Public Accounts Committee. It has been an underestimated, low profile committee. However, I believe its day has come. I urge more hon. members to get involved with that committee because that committee is an avenue by which we can start to understand the fundamental structure under the Government of Canada, its performance, and its weak points. Those things are exposed to the committee. The interesting thing about the Public Accounts Committee is that it has moved into areas of fundamental structure. The last two reports of that committee,

if read in detail and with attention by members, would show the substance of the work that has taken place. It is interesting to note that the Standing Committee on Public Accounts is becoming well staffed with research capabilities. The research officer who has been assigned to the committee has done yeoman's service. I believe he is entitled to our thanks.

● (1432)

In addition to that we have a person with a Master of Business Administration degree, as well as lawyers and chartered accountants from outside the government who are available to us for consulting purposes. I believe the quality of the report and the work which is being tabled in this House are directly due to the ability of parliament to start structuring a committee which has such a fundamental importance to this House.

The committee's desire to see the system of financial accountability to parliament by Treasury Board, departments, agencies, and Crown corporations has been strengthened, as I have just outlined. That is fundamental to the work of the comptroller general and the ongoing work of the Auditor General. The government House leader has now allowed permanent reference of the report of the Auditor General and the Accounts of Canada, which means that committee is one of the first to get off the mark in any session of parliament. The committee will be responsible for the review of the performance of the office of comptroller general and his progress in strengthening the financial management and control practices within this government.

I explained to the House that the committee is starting to take on a structure of importance which perhaps has not been generally recognized by members at large before. I believe the new office of comptroller general is the dawning of a new era in financial management in government. It behooves all of us to give it full encouragement and to make it work.

The tabling of the second report of the Standing Committee on Public Accounts dealt at length with the problems that exist within Crown corporations. The growth of Crown corporations is an example of the degree to which the operations of the government went out of control. Actually in terms of legislation, there are only 41 legitimate Crown corporations. And yet, in the proceedings leading up to our second report, we asked Treasury Board what was the total number of Crown corporations, and it could not tell us. It took several weeks before a total inventory was available, and it finally netted 384 or 386.

We must look again at the condition of legislation, the lack of accountability and lack of control which exist in the present legislation pertaining to Crown corporations. I would also urge members who are seriously concerned in this whole matter of control and accountability to read that report, and perhaps read also the first report on Atomic Energy of Canada Limited. There is much substance in there which will be of ongoing value as we move toward a more stable and more structured condition of management, accountability, and use of resources