

*Financial Administration Act*

Lang) to use some discretion when flying back and forth attending to the affairs and business of Canada.

It is a misplaced trust to allow a government to rule by regulation. The concerns referred to by the hon. member for Grenville-Carleton are very legitimate concerns. The bill should spell out what we expect of the Comptroller General. It should not be left to government regulation. Surely that lesson has been learned. Surely that concern has been advanced and repeated often enough. Surely it is not too much to ask, in the dying days of this parliament—if that is what these days are—that we address ourselves to spelling out what we expect from this man. Let us not hamstring him, but let us know.

**Mr. Lloyd Francis (Ottawa West):** Mr. Speaker, I am pleased to support this bill, but I cannot support the amendments which have been suggested, and I would like to indicate my reasons.

The bill has its origins in the report of the Auditor General presented in the fall of 1976. Hon. members opposite have quoted in vivid detail from that report of the Auditor General, and the measures which have been taken subsequently to correct the deficiencies in the control of expenditures have been put on the record by hon. members on this side of the House.

I am sure every member in this House will agree that the reports brought down by the Public Accounts Committee and tabled in the House a matter of two weeks ago dealing with financial controls of Crown corporations, with Atomic Energy of Canada, Limited and with Polysar are the result of many hours of hard work by hon. members from both sides of the House. The committee conducted its business in a very fair and non-partisan way. It would have been a little more satisfactory to me if those who are declaiming so loudly the need to do something about government expenditures spent a little more time with the Public Accounts Committee.

I invite the hon. member for Winnipeg South Centre (Mr. McKenzie), who unfortunately is not here now, and the hon. member for Kootenay West (Mr. Brisco) to do so. The Public Accounts Committee is an instrument of this House which has tried to deal with the complaints which the Auditor General so very vividly described and to do something about them. The Auditor General pointed out that in the implementation of the Glassco commission recommendations we went from perhaps one extreme to the other. We had a position called comptroller general of the treasury, and it was abolished in the mid-1960's.

● (2102)

That position was a line position, a position which required a very centralized control of every dollar of expenditure. As the public service of Canada grew, as the expansion took place in those fabulous years in the 1960's, Mr. Glassco pointed out that some kind of decentralization was absolutely essential for the efficient management of the public service. In a nutshell, the philosophy of Mr. Glassco was: let the deputy ministers manage, let them be the bosses, free them from this highly centralized line control of the former auditor general, free

[Mr. Brisco.]

them from the centralized hiring policies of the Public Service Commission, let them have delegated authority to do their own hiring, and let them be responsible for their own spending.

In a way, the wheel turned full circle—we went to the other extreme. Now we see the re-establishment of a position called the Comptroller General, with significant differences from the previous post. This is not a line position, it is a staff position. The new Auditor General cannot directly control, but he can require systems to be set in place which will control expenditures under the direction of the deputy ministers, a very basic principle which must be recognized by those who are studying this legislation.

I sympathize with those hon. members who say that the Comptroller General's duties must be spelled out, and here we have amendments (a), (b), (c), (d), and (e) spelling out exactly what he must do. I invite hon. members to think for a moment. We have a position called the secretary of the Treasury Board who is responsible for many things. We have an Auditor General who has been given an act, recently passed by this parliament, stating that, among other things, the Auditor General will examine expenditures in order that they may be made with due regard for economy and efficiency, properly accepted accounting principles, and all the rest of it.

If the words sound familiar to hon. members opposite, let me tell them that they incorporate exactly the same words and phrases regarding the duties they are setting for this new position. It would call for the wisdom of Solomon to predict exactly what each is going to do. One thing is certain—the Auditor General is in the pre-eminent position. His duties do have a statutory base, his report must be laid before parliament according to the statute and it is automatically referred to the Public Accounts Committee. That is a treatment that no other agency of government has. No other individual in the public service of Canada has such a responsibility.

The Public Accounts Committee is a special committee whose chairman is chosen from the ranks of the official opposition and whose vice-chairman is a senior government spokesman. I happen to hold that position. The hon. member for Capilano (Mr. Huntington) has filled the job of chairman of the committee very ably, and I want to pay tribute to him for a very conscientious effort. But the facts are that the Comptroller General is in no such position. His report must go to his minister because he is at the deputy minister level; he does not have the statutory responsibility to report to parliament, and he is like another deputy minister of the Crown.

I invite hon. members on the other side to cite me any other deputy minister whose duties are prescribed to this degree, as the sponsors of these amendments would suggest, by statute. I invite them to cite one, because when they reflect about it they will realize that it is extremely important that there be no jurisdictional conflict between the Auditor General, the Comptroller General and the secretary of the Treasury Board. Their duties must be prescribed by regulation and in the normal way in which the duties of deputy ministers are set out and developed. Only the Auditor General can be chosen for the special treatment of a statutory responsibility because he has a