

The recommendations and observations made by the Public Accounts Committee on this subject are contained in its Fourth Report 1964 presented to the House on July 28, 1964. It will be noted by reference to this in Appendix 1, item 16, that the Committee recorded its belief that as an officer of Parliament the Auditor General should be free to recruit the staff he needs in the same independent manner as do other officers of Parliament and the Crown corporations generally. It also noted that amendments to the Financial Administration Act are to be introduced in due course and stated that it believes appropriate amendments should be considered at that time designed to allow the Auditor General to appoint such officers and employees as are necessary for the proper conduct of his Office.

I think you will agree that we can withhold further discussion on this until we reach 1965, so I would suggest you just mark 1965 on that one.

#### *Summary of Expenditure and Revenue*

12. The Statement of Expenditure and Revenue for the fiscal year ended March 31, 1964, prepared by the Department of Finance for inclusion in the Public Accounts and certified by the Auditor General as required by section 64 of the Financial Administration Act, is reproduced as Exhibit 1 to this Report. The statement shows a deficit of \$619 million for the year. By comparison, there were deficits of \$692 million in the preceding year and \$791 million in 1961-62.

Now paragraph 12 refers to the statement of expenditure and revenue for the year ended March 31, 1964, prepared by the Department of Finance, for inclusion in the public accounts, and certified by the Auditor General. This statement, as you already know, is reproduced in Exhibit 1 to this report.

#### *Expenditure*

13. The Summary of Appropriations, Expenditures and Unexpended Balances by Departments for the fiscal year ended March 31, 1964, as published in the Public Accounts, is reproduced as Exhibit 3 to this Report and shows appropriations of \$7,101 million, expenditures of \$6,872 million and unexpended balances of \$229 million.

14. Of the \$7,101 million of appropriations available for expenditure in the year, \$2,805 million was provided by continuing statutory authorities and \$4,269 million was granted by Appropriation Acts (Nos. 1, 2, 3, 4, and 5 of 1963 and Nos. 2, 3, and 4 of 1964) while \$27 million remained available from a continuing 1962-63 appropriation (Department of Labour Vote 32a).

Of the \$6,872 million of expenditure during the year, \$2,805 million (41 per cent) was incurred under the continuing statutory authorities, with \$4,067 million (59 per cent) being spent under the authority of the appropriations granted for the year.

Of the \$229 million of unexpended balances at the end of the year, \$174 million lapsed in compliance with section 35 of the Financial Administration Act and \$55 million of Department of Labour Votes 32d and 34d remained available for expenditure in 1964-65 because of the special wording of the appropriations which read as follows: