

Financial Organization and Accountability

many of the recommendations of the Glassco commission and the recommendations advanced by the Auditor General had not been implemented or complied with to any significant degree. In the face of the establishment of a royal commission of the nature and magnitude outlined today, how does the minister rationalize and ensure that those people who are charged with the control mechanism will adapt and implement the recommendations that may flow from this commission? Frankly, it seems to me that it is a matter, not of getting more regulations and guidelines, but of enforcing the guidelines presently in place.

Mr. Andras: Mr. Speaker, we are talking at two levels here. I am not arguing with hon. members about the need to make sure that directives are widely developed and distributed for control. Based on allocation of resources after the exercise of budgetary approvals, the improvement of the flow of cash or issue of cheques and expenditures, and so on, is not what I am arguing at all. Indeed, as the exchanges up until now have indicated, I want to make sure, after the directives have been examined to see they are sound, they are carried out. But that is not the objective in setting up what we consider to be a very much needed re-examination, on a broader front, of the financial management and structure of government. Those things must go on, and I submit that much of the evidence in my recent sojourn in Treasury Board indicates that we recognize and accept that and it shows that we have to improve our operation. We want to do this, Mr. Speaker.

While you can always say the measures we have taken are not enough, many of them prove that point. That does not, however, resolve the fundamental issue of accountability to which Glassco addressed himself, which is the same thing the Auditor General has mentioned, but ten years later the final issue has not been resolved. In effect, Glassco said "decentralize", that is, put the programs and authority out where they could be most effective and not in a central agency in Ottawa; shove them out. We did that, Mr. Speaker, and now the reaction is that the pendulum may have swung a little too far, particularly with regard to post-budgetary approvals and the flow and control of cash and expenditures. There is no argument about that.

To come back and still avoid a pre-Glassco situation which the Auditor General himself warns against raises some very fundamental questions. All the flow of travel directives, administrative measures, taxi slips, and so on, will have to be tightened up. But I do not think the fundamental question was answered by Glassco, and we are saying that the royal commission should try to answer it.

Mr. Mazankowski: I have a supplementary question, Mr. Speaker, and I thank you for your indulgence. In light of the fact that the minister agrees with Glassco and with the Auditor General, is the issue we are trying to sort out the appointment of a comptroller general? Is that the inherent purpose of the appointment of this royal commission?

Mr. Andras: Most certainly it is one of the most significant recommendations of the Auditor General that leads to opening

[Mr. Mazankowski.]

up and recognizing that the issue of accountability has not been resolved. It hits it head-on. Please do not take that comment out of context, in the sense that it really raises the very serious issue that I have been trying to register here today. We think it is time to grapple with that, but we think it has to be done on a more proper basis than the desirable objective of having an exact, clean accounting system. That is desirable, but something else is involved. This is not General Motors.

Mr. Speaker: The hon. member for Esquimalt-Saanich (Mr. Munro).

Mr. Munro (Esquimalt-Saanich): Mr. Speaker, at the moment there is only one question I should like to ask. Is the President of the Treasury Board not fearful that the royal commission will really be investigating what the Treasury Board ought to be doing and ought to have been doing for the last 15 years? Is this not a problem? Is he creating a royal commission in order to investigate the Treasury Board?

● (1610)

Is it not possible that the Treasury Board has taken on more functions, and I think particularly of the function of collective bargaining which has taken the Treasury Board out of its normal role of watching government expenditures, checking budgets as they are being presented, and that sort of thing, and now we need a royal commission to ensure that the Treasury Board gets back to what it should be doing?

Mr. Andras: Mr. Speaker, the hon. member is bootlegging in some other issues on which he probably has strong feelings, and very interesting ones, I might add. We very much respect the recommendations of the Auditor General, the office and the person. He recommends that the operations of Treasury Board be expanded dramatically. In the report, the hon. member will find—and I know this by discussion with him—and I believe it was in the Auditor General's previous report, that it is to add on this particular function.

It might be that the comptroller general would be something apart from the secretariat of the Treasury Board. I think the hon. member knows the distinction between the board and the secretariat. In any event, it would be reporting to the president of the treasury board and, therefore, part of the Treasury Board operation. There is no suggestion in his comments that this be put out somewhere else. He lists all the things we are now doing and suggests that it be larger. He even suggests that the payroll function of the Department of Supply and Services be looked at as being operational under Treasury Board, and these kinds of things.

The hon. member asks whether I am afraid. I suggest that he read the terms of reference. I am afraid that in the end we will have to say, "Let the chips fall where they may."

Mr. Bawden: Mr. Speaker, in view of the very shocking and damning report of the Auditor General, which clearly proves that a great many aspects of this government's financial management are in a mess, I wish to ask the minister a