

less with respect to present or past policy than with future application. The listing of paragraphs is not exhaustive; moreover, in some instances like problems are present in more than one paragraph. An illustration is the point in paragraphs 62 and 91. In both, the question really is whether a strict legal interpretation should be applied to problems which are really of accounting and financial nature. Many years ago the British Public Accounts Committee relieved the law officers of full responsibility for application where the point of law was, in fact, incidental to questions relating to accounting and financial practices. In such circumstances, the committee made the lords of the treasury primarily answerable to parliament. In Canada, we still burden the Deputy Minister of Justice with all such problems.

2. *Utilization of Votes:* In paragraphs 30-35 it is noted that while annual appropriations for 1947-48 approximated \$1,350 millions, about \$245 millions lapsed unused. Many lapsings stem from decisions to postpone works because of scarcity of labour and materials. However, the submission of supplementaries on March 19—less than a fortnight before the year ended—permits tests to be made of the accuracy of departmental estimating of requirements. The supplementaries included 83 items having the words "further amount required." These amounted to about \$30,700,000. Of this amount, \$10,670,000 was not used. In fact, 23 votes, involving \$7,400,000, were not used at all; in 56 votes, totalling about \$17,000,000, there were lapsings of \$3,270,000, and in only four, totalling over \$6,300,000, was the full amount spent.

A characteristic of the Canadian system of presenting estimates is to divide services into a multiplicity of items. If the various subheads for public works' projects and for steamship subventions are rated as the equivalent of items, the House considered over 1,300 in 1947-48. What this means may be illustrated by glancing at the votes for the Department of Transport, which is a big department with varied, yet interlocking, activities. In 1947-48 that department had 72 votes and 7 statutory primary accounts. In 8 instances there was no departmental administrative responsibility—the C.N.R. deficit is an example. Eliminating these, 71 accounts record application given to grants which approximated \$51,400,000. The expenditures were about \$43,800,000, with 58 accounts reflecting 20 per cent of the outlays. In other words, 80 per cent of the expenditures were conveniently controlled by 13 votes, while the remainder required 58 votes.

Three years ago the United Kingdom Public Accounts Committee reported that:

The comptroller and auditor General stated that the detailed form of the statements of new works appearing in the pre-war estimates and appropriation accounts was designed many years ago when it was thought desirable to secure parliamentary control over capital expenditure in great detail. He thought that the effect had been under modern conditions that the estimates and accounts became loaded with voluminous particulars of works of no especial magnitude or importance and rather bewildering to parliament.

Your committee are in agreement with the view expressed by the comptroller and Auditor General in evidence that a reversion to the very detailed form of the pre-war statements of works services is to be deprecated and that some new standard should be adopted. They think that the adoption of a higher limit than before the war for the display of individual works should secure greater prominence for the most important works undertaken and give parliament all that is necessary for controlling capital expenditure. As regards the appropriation accounts they feel that some further simplification might be considered with a view to including details of the important works only in cases where there was an appreciable variation from the estimates.