

do it in the form of an amendment to this special measure, but I would not object to putting the question to the committee if it were put in the form of a motion after we are through with this bill.

Mr. WRIGHT: While Mr. Clark is here, I would just like to ask him if he would see any objection to that—to the annual statements of these corporations being referred to a committee?

Mr. CLARK: It is probably not competent for me to say so, but I think that from our point of view we would be very happy about that. I believe we have the same objective as this committee. The Department of Finance and the Minister of Finance want to see that there is a maximum of control over expenditures and as many safeguards as possible on this kind of thing. We would therefore very much like to see this committee discuss the accounts and statements, for instance, of the corporations which are already reported in the public accounts.

Mr. WRIGHT: Thank you.

Mr. FRASER: Mr. Chairman, in regard to that, at the present time there are Trans-Canada Air Lines, Canadian National Railways, and the steamship lines. We have their annual reports and they are up to date when they are presented in the House, but when we get the public accounts, of course, they are over a year old.

Mr. SINCLAIR: No.

Mr. FRASER: Yes, they are over a year old.

Mr. SINCLAIR: When the report of the Canadian National Railways is tabled in the House the minister then moves that it be referred to the special committee. I think that in this recommendation moved by Mr. Wright we should incorporate this other suggestion that they all be listed in a special section of the public accounts, that is, in one package, so that we may have all the reports. I would like to suggest a small amendment to section 85 because the officers of the department feel that in section 85, as far as ordinary company practice is concerned, it is better to say "statement of income and expenses". Whereas the government uses the word "expenditure". The company usually uses the word "expense".

Mr. CLARK: I think that "expense" is a more apt and appropriate word to employ in accrual accounting, and as you will recall it is intended that crown corporations should generally use accrual accounting. I may say that while private accountants in their audits of ordinary private companies are not fully consistent, the general tendency for them is to concentrate more and more on the use of "income and expense" in their audit reports.

Mr. SINCLAIR: I so move, Mr. Chairman.

Mr. CLARK: And in section 87 we will have to make the same change.

Mr. SINCLAIR: I so move.

The CHAIRMAN: I am sorry, Mr. Sinclair, would you mind repeating your motion?

Mr. SINCLAIR: I move that in section 85, subsection 2, paragraph (a), the word "expenditure" be deleted and replaced by the word "expense".

The CHAIRMAN: Which line?

Mr. SINCLAIR: In section 85, subsection 2, paragraph (a), the first line.

The CHAIRMAN: That is right.

Mr. SINCLAIR: So that it will read:

(a) a balance sheet, a statement of income and expense . . .

The CHAIRMAN: Will you kindly give us the wording exactly as it should be?