

PUBLIC ACCOUNTS

May 3, 1966

Mr. WINCH: May I suggest that the steering committee take under advisement this matter of the calling of a representative from Central Mortgage and Housing Corporation. There are certain aspects of this matter which pass my comprehension. What are contractors doing in writing contracts saying they will allow the winter works program after the winter works is through? I would like to have a clear explanation. Perhaps the steering committee might consider calling such a representative?

The CHAIRMAN: A note is made of that.

Mr. HENDERSON:

55. *Questionable charge to Vote 70 of the Department of Mines and Technical Surveys.* During the first three months of 1964 a hydrographic vessel operated by the Department of Mines and Technical Surveys assisted the Royal Navy in charting safer shipping channels in the Caribbean Sea. The costs of Canada's operation, which were estimated to be \$75,000 in excess of what overhead costs would have been if the vessel had remained in her normal winter lay-up condition, were charged to the appropriation (Vote 70) provided for the administration, operation and maintenance of the Department's Marine Sciences Branch.

It is understood that Canada's participation in this project provided valuable staff training for departmental personnel and also an opportunity to return service in kind to the Royal Navy which originally charted Canadian coastal waters.

In our view, however, it is questionable whether such an undertaking falls within the ambit of the Department's responsibilities as laid down by the Department of Mines and Technical Surveys Act, R.S., c. 73.

Paragraph 55. *Questionable charge to Vote 70 of the Department of Mines and Technical Surveys.* This is exclusively a 1964 item. It is questionable, in our view, whether the undertaking described here fell within the ambit of the responsibilities of the Department of Mines and Technical Surveys as laid down in its Act. The cost of \$75,000, as I say here, was charged to Vote 70, providing for the administration, operation and maintenance of the Department's Marine Sciences Branch without any reference to the possible inclusion therein of these particular expenses. A similar program was carried out in 1965-66 and parliament approved of charging the costs to the departmental appropriation by passing a dollar item, vote 15d.

It is one of the specific duties of the Auditor General, as set out in the Financial Administration Act, to call attention in his report to any appropriation applied to a purpose not authorized by parliament. All I have to say here, Mr. Chairman, is that it would be helpful if the Committee were prepared to express its concern that expenditures should be incurred as charges to an appropriation to which they are not normally related.

The CHAIRMAN: Any questions on that? It will not appear again in 1965.

Mr. HENDERSON: It is a rather basic point, as far as our operations are concerned, but we always have to watch for this; that is to say, see that they are charged to the right appropriation.

The CHAIRMAN: Number 56.