

cy, and effectiveness are sound if properly interpreted. Perhaps it would have been preferable if the argument had been expressed in terms of the public's right to know rather than in terms of the rights of beneficiaries under a trust. After all, the fundamental reason why the Auditor General should report to parliament on these matters is that it is obviously not in the interest of the department to make such information available when the results are unfavourable.

Moreover, given the degree of secrecy a government administration can maintain, the opposition parties or the electorate usually do not have enough insight or knowledge to ask questions that would elicit the relevant information, even when they have the right to obtain it. Thus the adoption of these recommendations with respect to value for money is a means of breaking through the present secrecy barrier of the department, and a means of informing the Canadian taxpayers of the stewardship of their money.

It would be incorrect to say that the adoption of these recommendations would resolve the endless controversy that surrounds government expenditures. Through more disclosure and more public debate, however, it would help the public to assess the efficiency and effectiveness of government programs.

Furthermore, it would be incorrect to expect that the Auditor General would use his staff to carry out efficiency and effectiveness studies; rather Wilson suggests that he should report on such questions as whether departments are undertaking efficiency and effectiveness studies on their programs and, if not, why not? All too often the basic data required to which these methods could be applied are not being collected, much less analysed. If the studies have been conducted, have the results been made public? If not, why not? And do the data used and the methodologies applied give results that are reliable and justifiable within certain cost constraints and potential cost savings?

Finally, the most important danger to the audit office, if it were to engage in such studies, would be the lack of consensus about data and methodologies in which these studies would inevitably embroil the Auditor General. They could lead to intensive political controversy, and thus eventually threaten the integrity of the office itself.

I cannot help but conclude that although the department may be unwilling to legislate the value for money concept, the Auditor General under the existing provisions in the Financial Administration Act can adopt the Wilson report's recommendation in this regard and, with the committee's support, proceed to report those cases where value for money has not been obtained.

The adoption of the Wilson recommendations in this area would be a useful advance for parliamentarians in their review of the public accounts, and for students of public finance. One would hope too that the Canadian Institute of Chartered Accountants would set up some permanent committee to concern itself with government accounting principles, and would seek to monitor their introduction and implementation by government departments and agencies.

Already the Auditor General has formed a task force of professional accountants from the private sector to study

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this problem within government departments, and the formation of government accounting principles by an independent body would greatly assist his current endeavours in this regard.

The third recommendation, that procedural changes be considered that would reduce the delay in the consideration of the Auditor General's annual report by parliament should be of some concern to the Public Accounts Committee. The Auditor General does not report to the House of Commons for at least six months after the end of the fiscal year. And there have been delays of six months or more before the committee has had an opportunity to begin considering his findings.

Because the Auditor General's annual report is invariably bad news for any department, there is little doubt that the executive has little interest in speeding up the program and, indeed, has something to gain by the delay. Criticism of transactions that took place two years before, are less biting than those dealing with current decisions.

The Wilson committee, in my view, clearly did not want to affront parliament by making a firm recommendation about its own procedures, but it is clear that the present arrangement is favourable to the department and should be tightened to reduce the degree of discretion it presently enjoys. The recommendation for an automatic referral, therefore, would be one practical proposal for the Standing Committee on Public Accounts to consider and recommend to the Procedure and Organization Committee for inclusion in the Standing Orders of the House of Commons.

At the same time the Public Accounts Committee should consider very seriously the automatic referral of the Public Accounts of Canada on the same basis as the Auditor General's annual report. This point was not raised in the Wilson report because it was considered outside their terms of reference. However, as was experienced by the Public Accounts Committee during the current session of parliament when the public accounts for the fiscal year 1974 were not referred to them, the committee's power to examine government expenditures was greatly reduced. This in turn made the systematic review of departmental accounts more difficult and less penetrating for all members of the committee, not only opposition members, in their examinations. In my opinion the recommendation for an automatic referral would therefore improve the committee's effectiveness in its reviewing procedures.

The Wilson report describes what transpired in the most neutral possible manner, and makes a number of recommendations. In my view the most important is the proposal that the Auditor General be given separate status so that he could classify his own positions and thus be free of the authority of the personnel policy branch of the Treasury Board.

In the past two years Mr. Macdonnell has introduced major innovations in his office. He has published his annual reports to parliament within the appropriate nine months of the end of the fiscal year on March 31, and has streamlined his reports so that the Public Accounts Committee can deal with them more quickly. Mr. Macdonnell tells me he hopes within a year or two to speed up publication so reports can be tabled in the Commons at the beginning of the fall session in October, a move that would further assist the committee.