

losses through the fraud, default or mistake of any person. That is again a human matter—there are some ten cases mentioned in respect of those losses. And there is defalcation at a Canada Manpower Centre. This has to do with employment offices, defalcation at a Canada Manpower Centre—it is serious enough—and I think that in a report such as this in which we see all departments screened they become interested and must keep that report in mind. I think that every department must read that report carefully, and when the legislation is introduced, there will be provisions to prevent such things from happening.

It also says:

Other cases that the Auditor General considers should be brought to the notice of the House of Commons in accordance with section 61(1) of the Financial Administration Act

73. Weakening of parliamentary control.

All estimates of expenditures submitted to Parliament shall be for the services coming in course of payment during the fiscal year.

I believe the minister is well aware of that. That is where the Auditor general gives notice to the government of the carrying over on the previous budget of several unspent amounts of money on the current year budget. I believe and I hope that the minister, as he said this afternoon, will take this report into serious consideration and will accept it as his own so as to introduce legislation. He asked the opposition party to make suggestions, proposals to him, but let him introduce the legislation. It is not the opposition that will introduce the legislation in this House; let him introduce it and we shall see what it contains. We shall examine it to see if it includes all the guarantees needed to ensure, on the part of the Auditor General, a free discharge of his duties and I believe that from that time on, we will work seriously in this House, Madam Speaker.

● (2040)

[English]

**Mr. R. Gordon L. Fairweather (Fundy-Royal):** Madam Speaker, the part of the motion which concerns me is that part having to do with the power of the executive. I want to discuss accountability and secrecy in government, a perennial difficulty which might be seen in a different perspective, depending on where one sits in this chamber.

It seems to me that if the government could devise ways of being more open with parliament and the people, it would gain substantially in the passage of measures which it wishes to bring before parliament, and its measures would meet greater acceptance on the part of the public. I never understood this conflict between "we" and "they". It seems to me it would be better to use the word "us" when referring to this House.

We adhere a fair amount to the adversary system in public life. It is an important element, and essential. But it seems to me that it is important for members of parliament to have the opportunity to obtain some consensus from the various constituencies on public matters. This would involve not an adversary role for members, but a new role. We can only do this if there is frankness on the part of the government.

*Auditor General*

I want to compliment the government on one of its measures which has involved members of parliament and constituencies, and found a good deal of acceptance, after some pressure of course being exerted in the introductory phase of the program. I am referring, to the Local Initiatives Program. I am not now discussing individual projects. They have no part in this debate. The fact remains that there has been a major amount of consultation with constituency advisory groups and members of parliament, no matter whether they support the government or not. By and large, projects have been accepted in the constituencies. Some members have had to endure a certain amount of pressure and they could easily have said, "This is the government's program, and the government can take its lumps." But they did not say that. Because there has been a bit of sharing, a bit of openness—with some exceptions, I admit—the program was successful and remains an interesting illustration of what can be done when there is frankness in government.

Having said that, I turn to a side of government spending and government policy where there is no openness, where the reverse holds true. I am referring to the Department of Regional Economic Expansion. The department is involved this week in a seminar in Halifax. The national conference on development incentives was called by the Nova Scotia government, held in Halifax, but closed to the public and press in order to permit full and frank discussion. A fair amount of government money is involved, and many of those present are DREE officials or their counterparts in provincial development departments. There will also be representations by organizations such as the Independent Businessmen, the Manufacturers' Association, and some chambers of commerce. I, for one, deplore this method of transacting public business. The meeting has obviously been called in an effort to direct or re-direct regional economic expansion policies which need inputs from the various private and public sectors.

I think it is wrong for the government to be part of any system which bears the imprimatur "secret" or "not open to the public." I forecast that the inevitable reaction will set in after such a conference, and its purpose will be frustrated because of the very shroud of secrecy which has been cast over it.

I have made these points because I want to contrast the LIP program and its openness with the DREE program, which is the very antithesis of openness and, for that reason, is in serious trouble.

In these days many people have been considering the whole aspect of government in democracies. Some have even convened seminars on the general topic of the governability of democracies. I hope that hon. members who are interested will take the opportunity to read an important series of lectures by Ralf Dahrendorf, who is now head of the London School of Economics. Mr. Dahrendorf's first lecture in 1974, which is part of the series of Reith lectures, begins by saying, "The elementary desire to be free is the force behind all liberties." After discussing the dilemmas facing the democratic governments of the western world, Dahrendorf says:

The force of liberty, of the principles of a humane and open society, may be equally strong, but it needs explanation: moreover, such explanation may lead to different conclusions at different times.