

The following excerpts from that report are worthy of note:

104. The importance of maintaining parliamentary control over financial matters is the paramount concern of this committee. It is therefore expected that its recommendations will be given close attention by the departments, Crown corporations and other agencies.

105. In accordance with the practice followed by the committee in its reports to the House for the past three years, the Auditor General is again requested to report to the committee on the action taken by the various government departments, Crown corporations and other agencies, toward implementing recommendations contained herein.

My follow-up or progress report was revised on October 30 with copies given to your secretary, in English and French, on November 6.

My officers and I are currently very busy working on my 1963 report to the House of Commons, which, as required by the Financial Administration Act, I shall be delivering to the Minister of Finance by the end of the year.

The minister will then likely table it at the same time as he will be tabling the 1963 Public Accounts of Canada.

The follow-up report—which is the first item of business on your agenda—will give you some idea of the detailed matters with which you have to deal. We have sought to explain the details and background of the points as constructively as possible.

I should now like to say a brief word about the function and role of the Auditor General.

The Auditor General is an officer of parliament.

His functions and responsibilities are outlined as part VII of the Financial Administration Act.

By law, he is entitled to free access at all convenient times to all files, documents and other records relating to the accounts of every government department, crown corporation and agency and is entitled to require and receive from members of the public service such information, reports and explanations as he may deem necessary for the proper performance of his duties.

Section 67 of the Financial Administration Act requires the Auditor General to examine in such manner as he may deem necessary the accounts relating to the consolidated revenue fund and to public property and to ascertain whether in his opinion, among other things, money has been expended for the purposes for which it was appropriated by parliament and the expenditures have been made as authorized.

Section 70 of the act requires the Auditor General to report to the House of Commons each year on the results of his examinations. Among the matters upon which he is specifically required to report in relation to expenditures is any case where any appropriation has been exceeded or was applied to a purpose or in a manner not authorized by parliament, and any case where an expenditure was not authorized or was not properly vouched or certified. In addition, he is required to report any other case that he "considers should be brought to the notice of the House of Commons".

He is authorized to station in any department any member of his staff to enable him more effectively to carry out his duties.

The estimates of the Auditor General's office currently before parliament continue to provide for a total staff strength for his office of 179 during the current 1963-64 fiscal year. This is the number which I estimated three-and-one-half years ago as the minimum needed to carry out a basic external audit program within the framework of the existing government organization. Although a larger staff than 179 is indicated today, I have not requested it yet for the simple reason that I have never been able to obtain the number of 179 authorized for my office.