

Canadians today more than the motion of my colleague, which perhaps can be termed a brutal motion, and nothing illustrates one of the attitudinal causes of the problem we are struggling with today more than the reply of the Minister of State for Federal-Provincial Relations. I hope the view he has through his rose-coloured glasses of this problem works with the extreme responsibility recently given to him by the Prime Minister (Mr. Trudeau).

The minister mentioned that the government had taken very positive steps toward correcting the situation faced by Canadian taxpayers today, through the introduction of the Auditor General Act and the introduction of legislation to establish the office of Comptroller General. If it were not for one of the most political apolitical Auditors General we have ever had, with his tremendous abilities to identify issues, and to visualize and put in place corrective measures, I doubt very much if the Auditor General Act would be in place today.

A key complaint which the Auditor General has had since he took office is the fact that there was not a chief financial officer in charge of systems and control. It was his persistence which forced the government to bring in legislation establishing the office of Comptroller General. It would be most unfair of me not to recognize the debt all of us owe the former president of the Treasury Board for his effort on behalf of Canadian taxpayers in getting that chief financial officer into place. I respect the efforts he put forth.

Turning to the remarks of the hon. member for Winnipeg North Centre (Mr. Knowles), there was nothing as nostalgic as his remarks. The mover of the motion has been here 21 years, and he spoke of the old days. The Minister of State for Federal-Provincial Relations has been here approximately 13 years, and the hon. member for Winnipeg North Centre has been here for 36 years. Now the House will hear from a member who has been here only 4.5 years.

Some hon. Members: Hear, hear!

Mr. Huntington: It might be of some good to understand why I am here. I am from the small business community, and I am here because I was outraged at the lack of care and attention given the tax resource, to which I was making a donation, by the federal government.

As mentioned by the hon. member for Winnipeg North Centre, the issue is parliamentary control over the tax resource. Parliament has lost control over the tax resource. The remarks of the Minister of State for Federal-Provincial Relations in no way hide that basic issue.

I should like to refer to a statement contained in section 1.29 of the 1978 Auditor General report where it is asked why serious managerial weaknesses continue to persist, even after years of conscientious effort to overcome them. That is an indictment of the system, and very little can be said in defence of it. That is the challenge which faces all members sitting in the chamber today. Approximately \$50 million is being spent on internal audits within the system, and we are getting absolutely nowhere. Internal audits have had no status and have not had access to senior managers or deputy ministers of

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departments. This was pointed out in 1975, and it was agreed to by Treasury Board and the government at that time. Again the 1978 Auditor General report indicated that nothing has happened in this essential element of management within the system.

Over the past 15 years since the Glassco commission, government expenditures have risen from \$7.3 billion to \$42.8 billion, which is an increase of 487 per cent on an adjusted basis. In 1962 the Glassco report made two important and key recommendations. First, it recommended a decentralization to departments of responsibility for financial management and control. The second recommendation was putting in place a counterbalancing of controls in the Treasury Board. This was recommended also in the 1975 and 1976 reports of the Auditor General. The latter recommendation of the Glassco commission was never implemented. In fairness, as the 1978 Auditor General report pointed out, even if a Treasury Board counterbalance of controls had been implemented, it is somewhat doubtful that better organization and procedures would have been able to cope adequately with the rapid rise in the level of government expenditures.

● (1712)

Section 1.29 of the Auditor General's report, to which I have already referred, draws to our attention the continuing problem which we face, but nothing seems to be happening in spite of the best efforts we can put forward. I need not remind hon. members that the Auditor General is an office of parliament. Attitudes of senior departmental officials have not been conducive to wise and prudent use of taxpayers' money.

The following are some quotes from the 1978 Auditor General's report:

Departments generally assume that it is their money . . . A set of values has been developed where the emphasis is on conceiving and developing new programs . . . Management of human and financial resources has been significantly less important to them—

As value for money considerations in management faded, personal accountability for the Canadian taxpayers' dollar seemed to expire. As a result we now have an attitude where nobody within the system seems to care about the net waste of resources.

Here is another quotation from the Auditor General's report:

During the period of rapid expansion in the government, it appears that the public purse was gradually deemed virtually bottomless and that access to it was not unduly restricted for the ingenious.

That is a terrible indictment of the system. The system puts more emphasis on developing policy initiatives and new programs than on the principles of well established practices of economic efficiency and effectual resource management. That is what the report is saying and why the need was created. Thanks to the former president of the Treasury Board the position of Comptroller General has been established, whereby we can perhaps bring about some corrective measures to a very seriously ill system.