

3. In the course of its meetings your Committee gave consideration to:
 - (a) paragraph 71 of the Auditor General's Report for the year ended March 31, 1965—Municipal winter works incentive program;
 - (b) the form and content of the Estimates, with particular reference to the Revised Vote Pattern introduced in 1964-65, Interim Supply and use of the Finance Contingencies Vote.

DEPARTMENT OF MANPOWER AND IMMIGRATION

4. *Municipal winter works incentive program* (pp. 1229-47; 1248)

In his 1965 Report to the House the Auditor General dealt in paragraph 71 with the need for a more specific spelling out of the terms of the agreements to set straight questionable practices which had developed in the administration of this program. After listing eight of these questionable practices, the Auditor General stated that the working paper files of the provincial auditors carrying out detailed audits of claims had revealed instances of fraudulent and irregular practices being followed.

The Committee discussed these practices with the Auditor General and the Deputy Minister and officials of the Department of Manpower and Immigration and was informed that while the majority of these unsatisfactory practices continued in claims received during the fiscal year 1965-66, there had been a substantial improvement in the situation since April 1, 1966.

Members of the Committee expressed considerable concern at the type of questionable practices which had developed in the administration of the winter works incentive program. It feels that there should be a closer liaison between the Department of Manpower and Immigration and the auditors examining the winter works expenditures for the provinces. The Committee has requested the Auditor General to continue to watch the situation closely and advise the House thereon in due course.

TREASURY BOARD

5. *Parliamentary control of expenditure* (pp. 1251-1280)

In dealing with this subject in paragraph 9 of his 1965 Report, the Auditor General advised the House that the vote pattern actually used in the Main Estimates 1964-65 differed in certain instances from the pattern which had been submitted to and approved by this Committee in 1964. Details of these differences and examples of transfers made possible by the revised vote pattern were set forth in paragraph 51 of the same Report.

Although the Committee has not yet completed its examination of the details contained in these paragraphs on which it wishes to question the Auditor General and the Secretary of the Treasury Board further, the Committee did request the Auditor General to make a statement on the form and content of the Estimates which he presented on November 23rd.

The Committee discussed this statement on that date and questioned the Secretary of the Treasury Board who provided the members with additional helpful information on the subject. This discussion brought out clearly both