

*Adjustment of Accounts Act*

somewhat to the Conservatives. Unfortunately, there were not too many other things they did that were acceptable to the people of Canada. I could go on with this, but it would not be addressing the bill. We will deal with that on another occasion.

I would like to describe a certain situation that this bill will overcome. I am not quite as eloquent in terms of generally accepted accounting principles as the previous speaker, but I think I have a fair grasp of the situation as to what this bill will do. As I mentioned, certain expenditures that are made by the federal government are not reflected as expenditures or spending. They are actually reflected as assets of the government.

Something I have talked about before in this House is that the federal spending deficit of the government for fiscal year 1978-79 was \$16.185 billion. When I asked the President of the Treasury Board about this in the public accounts committee he said that is what it says but it is not really a true picture of what is happening within government. He said our deficit is not really \$16.185 billion, it is actually less than that because we have an extraordinary spending item in there. That was an amount in excess of \$4 billion that was a write-off of what the government had considered as loans to different government agencies and departments over previous years. Therefore, from years dating back possibly as far as a decade, maybe back to 1969, the public accounts did not fairly reflect the question of this government's spending. The actual liabilities were understated. Now, in the 1978-79 accounts, this had to catch up. It finally had to be reported.

This could not be hidden under the table any longer by the Liberal administration and the very short tenure of the Conservative government, which actually wanted to do something about it. Finally, an extraordinary item appeared on spending in excess of \$4 billion. Although that \$16.185 billion did not fairly reflect the spending of the government in the fiscal year 1978-79, it certainly reflected the spending of the government in other areas. It was not reported as spending, but as assets of the government.

I wish to go into some of the background as to the reasons why the Liberal party cannot be given credit for introduction of this bill at this time, although as I mentioned, we do respect the fact that the President of the Treasury Board has taken the initiative, along with his parliamentary secretary, to bring this bill before us.

It goes back, according to the admission of the President of the Treasury Board, as far as 1973, when there was a study of the accounts of Canada. At that time they were starting to look at ways of making government spending more accountable to Parliament and, through Parliament, more accountable to the people of Canada. After that study, nothing seemed to happen. There seemed to be a void for a few years until a report came down on October 7, 1975, on the study of the accounts of Canada, some two years later.

In 1976, or maybe even earlier than that, the public accounts committee reaffirmed that the government had to be more accountable to Parliament and parliamentarians in terms of the money they spend, and that the public accounts should

fairly and justly reflect the financial position of the government. Still nothing happened until 1976.

Then there was the Royal Commission on Financial Management and Accountability. Their findings were reinforced by the Auditor General, or maybe I should say affirmed the findings of the Auditor General. After they substantiated the claims of the Auditor General, the Auditor General reaffirmed his position in the fact that the spending of the government was totally out of control, that the spending of the Government of Canada was not accountable to Parliament and, therefore, the Canadian people were not being given a fair picture as to what was the financial situation of the government. As I mentioned, we do not feel that the Liberals should be given credit for this bill, although we, as the New Democratic Party, very much agree with the position and intent of this bill.

● (2100)

The bill, as I mentioned, will do two main things as we understand it. Certain expenditures will now be regarded as spending rather than as assets of the government. Second, and most important, the bill will help make government spending more accountable to Parliament. Although we support this measure and hope to see it pass this evening, we think the process of making the government more accountable for expenditure should not stop with Bill C-22. We think it should go on into other areas.

First, we should like to see some changes in the form of the estimates which come before the House so that the information in there is more usable by members of Parliament, enabling them to translate to their constituents and to the press a fair assessment of where the government stands. Second, we would like to see a freedom of information bill passed as set out in the Speech from the Throne, and, in that connection, to have open scrutiny of departments of government by members of Parliament so that again they can reflect to their constituents the true position of the government not only as to spending patterns but as to the effectiveness and efficiency of management in running programs for the Canadian people. Third, it is important the government take prompt action on the many recommendations of the Lambert commission and the D'Avignon report which it also talked about in the Speech from the Throne. We in the New Democratic Party will ensure that they follow this through and introduce many of the important recommendations made in those two reports.

Before ceasing what I have to say on Bill C-22 I should like to commend the government for taking action on setting up the office of the Comptroller General headed by Mr. Rogers, especially in the area of the impact program where they take specific departments of government and carry out an analysis or critique of those departments and actually study what the problems are. The second stage of those impact studies is to develop an action plan between responsible people in the Comptroller General's office and people in the department being studied. Then they come up with their action plan and implement whatever is arrived at, through a consensus of the Comptroller General's office and the department being stud-