

Auditor General Act

General—something that went beyond the scope of the bill and certainly beyond the scope of the clauses the hon. member seeks to amend—by introducing responsibilities that were entirely foreign to those envisaged by the legislation. From a procedural point of view it gave the Chair some concern and I thought the hon. member for Winnipeg North ought to be given the opportunity to defend his motions. I now recognize the hon. member.

Mr. David Orlikow (Winnipeg North): Mr. Speaker, the bill before us, C-20, deals with the office of the Auditor General of Canada and matters related or incidental thereto.

It seemed pretty obvious to me, both as a member of parliament and as one who attended the majority of the meetings of the standing committee that deals with the Auditor General's reports and that dealt as well with this bill, that it has come before us because the experience of the last few years has demonstrated that the powers parliament had given to the Auditor General did not give him the authority he needed to do his work in the way in which parliament would like to see it done. He did not have the power to get and to give information to parliament and the people of Canada which they required, something which was behind the whole principle which parliament adopted when it established the position of Auditor General.

I do not want to abuse my rights by going into lengthy detail about the kind of committee meetings where the Auditor General and other people testify; suffice it to say that in my years in parliament I have never sat on a committee in which there was less division, and fewer party differences than that committee. This was because we were confronted, time after time, with tales of horror such that no member of the committee, regardless of party, could be anything less than worried. I will not go into detail.

● (2010)

Committee members hear with amazement how Polysar and its multiple subsidiaries carry on business, in a manner so bad that no member of Polysar or its subsidiaries will take responsibility for what was done. We heard of money being paid into numbered accounts in other countries, of unknown people being paid off for unexplained reasons. Similarly, in the case of Atomic Energy of Canada Limited, we heard certain disturbing facts concerning the sale of reactors to Argentina and South Korea. I shall not discuss these at present. If the Auditor General had been given more authority, or more clearly defined authority and responsibility with respect to members of parliament, the government and the corporations whose books he ought to have audited, we would have avoided much of the difficulty about which we heard, and the people of Canada would have saved tens of millions of dollars. And, in essence, to overcome those shortcomings Bill C-20 was introduced. It is to broaden and clarify the authority and responsibility of the Auditor General.

I support the bill, as did other members of the committee, regardless of party. I am not trying to change the bill's fundamental character; I am trying to define more clearly the

[Mr. Speaker.]

Auditor General's authority, to allow him to give parliament the information I believe parliament needs. I do not suggest, for example in my first amendment, that the Auditor General should have the right to say the registered retirement savings plan is a bad plan, which I think it is; or that the registered home ownership savings plan has saved people, mainly in upper income groups, substantial amounts of tax, which I believe it has, and therefore people in lower income brackets are forced to pay more personal income tax to meet the expenditures of the Government of Canada. I do not say the Auditor General should say if the accelerated write-off of corporate assets for taxation purposes is good or bad.

On the other hand I say that parliament and the people of Canada have the right to know how much money would have accrued to the Government of Canada in the absence of provisions for accelerated write-off of corporate assets for tax purposes. I believe parliament is better able to assess the effect of such provisions than is some partisan expert who has his own opinion as to how taxes should be applied. I say these questions are for parliament to decide. I therefore say that parliament could do a better job in this regard if the Auditor General, appointed by the Parliament of Canada, reports to the people by reporting to parliament and not to the government. For example, we should know how much money the government collects through corporate taxes and through personal income taxes. Armed with such information, we could understand better the workings of the Income Tax Act.

Similarly, I say it is not the Auditor General's task to comment on the effects of indexation of personal income tax. He should not say if it is moral or immoral. I happen to believe that the indexation of personal income taxes has been of benefit mainly to people in middle and upper income brackets. If you pay little income tax, what difference would indexation make? Why should the person who pays \$100 or \$200 income tax be overly concerned about the indexation of income tax? On the other hand indexation for those paying, say, \$20,000 a year in income tax means a substantial amount of relief. For those reasons I propose my amendments. As I say, my proposals would not change the basic purposes and duties of the Auditor General, as outlined in Bill C-20.

Some senior civil servants who looked at our amendments in committee said that we do not know precisely how the amendments would work in practice. That is true. It is not our job to analyse in detail how our proposals would work. That is the job of permanent officials. Our job, as members of parliament, is to get as much information as possible on this subject, and one of our main sources of information is the Auditor General, who is an expert in accounting, non-partisan because he is a public servant, completely objective, I suggest, because he reports to parliament directly, and not to the government as do 90 per cent of public servants, and reports the facts as he sees them.

We know, from annual reports of the previous Auditor General who was appointed by the Conservative government and of the present Auditor General who was appointed by the Liberal government, that Auditors General do precisely what I