

Closing Expo 1967 Corporation

estimates introduced in the House can be correctly described as unforeseen expenditures?

Mr. Pepin: I would not dare, do that, but as we are speaking theoretically, and as the hon. member spoke of theories before, I thought I could go on in the same rather philosophical vein. I had the impression in the committee that one of the things which the hon. member for Regina East wanted was to ensure that this expenditure, this deficit, was made well known to the Canadian population, for educational purposes, I presume. If that is the objective, what better place is there to make it known than by way of a clause in the winding up legislation itself? So, I think that from the point of view of good democracy and of making the people of Canada aware of the price of Expo to the federal government, the present way is a very democratic way of proceeding.

It seems to me that the way that is being taken by the government now is very proper and there is certainly nothing illegal about it.

Mr. Diefenbaker: Because it conceals everything.

Mr. Pepin: Consequently, I think the amendment should be defeated. However, I will bring the whole debate to the attention of the Minister of Finance, and I am sure there will be other forums where the hon. member's arguments could be more properly made, in my estimation.

Mr. Burton: May I ask the minister another question? Is the government in fact giving consideration to the recommendations made by the Auditor General in his report to the House on a number of occasions in which he requested the government and Parliament to put an end to the practice of dealing with expenditures of money or writing off certain assets or accounts receivable through the method of non-budgetary transactions? Can we expect any change of policy on this matter?

Mr. Pepin: I am not familiar with this matter but I will inquire from the Minister of Finance and I will gladly have a conversation with my hon. friend later.

Mr. Baldwin: His answer will be no.

Mr. Randolph Harding (Kootenay West): I would like to say a few words on the amendment. I was rather interested in the remark of the minister that one of the safeguards for projects of this type was the annual report

[Mr. Burton.]

which is always issued. As I recall the terms of the agreement, the annual report was to be issued within three months of the termination of the financial year. As an example, let me speak of the sixth annual report. The financial year ends on December 31, yet the financial report for the year 1969 was issued on November 4.

Mr. Pepin: May I break in at this point, with the permission of the hon. member? A confession was made in the committee to that effect. I blushed and I said that indeed the report came too late. Explanations were provided. They were judged to be sufficient by some and insufficient by others, but the confession was made.

Mr. Harding: I understand that no explanation was given as to why it was not provided to members.

What really worries me about this whole affair is the fact that for a period of years the Auditor General of Canada, and the auditor general of the province of Quebec, have been submitting reports recommending that certain things be done. It is amazing to realize that after a series of reports which have come to the government pointing out inadequacies in certain financial arrangements with Expo, the government has ignored them year after year. According to the Auditor General, some changes might have been made after a great deal of pressure, but they were inadequate. The question which I think we should ask ourselves is whether this should be the normal procedure, that a goal is set in all government departments, then the Auditor General, who is the watchdog of the Canadian taxpayers' money makes a report and that report is ignored right down the line. This is what really worries Canadians and worries me. Someone is at fault. Somewhere along the line following the receipt of the Auditor General's report by the government someone has not been doing a job. I think we have every right in the world to criticize the lack of effective action by this government on this particular matter.

I should like to put on the record a few comments made by the Auditor General just to show that he has drawn this matter very clearly to the attention of the government on numerous occasions. I will quote from the report of the Auditor General for the fiscal year ending March 31, 1968, at page 185. This is what he said:

● (4:30 p.m.)

In our 1965 and subsequent Reports (paragraph 226 in 1967) we drew to the attention of the House