

Financial Administration

Mr. Macdonnell (Greenwood): The parliamentary assistant has spoken with great certainty. What he actually says is that this practice is within the knowledge of every contractor. That is a pretty broad statement. As a matter of fact, the hon. member for Eglinton, who is a man of very considerable legal practice and not a man who shies at shadows, was equally positive that he did not think this was within the knowledge of every contractor, and that there may be cases where the practice is not known. The question I want to ask is: Can there be any possible objection to having it written in the statute that it has to be written in the contract? Can there be any possible conceivable objection to that?

Mr. Sinclair: It was pointed out the other evening that, as far as the big contracts are concerned, the contracts to which this thing might apply, the contractors knew. When I say "every contractor knows", I mean every contractor who is going to bid on one of these northern projects.

Mr. Macdonnell (Greenwood): Why not the little fellows, too?

Mr. Sinclair: The ordinary tens of thousands of little purchasing orders which the government undertakes yearly are not affected by this type of condition, and certainly there would be no point in inserting that stipulation in every little purchasing order made by the government. That was the opinion expressed by the minister and by the deputy minister of finance when this point was raised in the public accounts. The fact that never since confederation has the issue arisen shows that the practice is well understood by those who are contracting for this type of work.

Mr. Macdonnell (Greenwood): I think that is fair comment, but I do not think it covers the case fully. I come back again—and I am not going to take the time of the committee on this—to the point, and say that nothing has been said yet which makes me believe that there is any difficulty in these contracts. I have no doubt that a formal clause could be put in, but you could make some reservation, if you want to protect cases where there is merely an exchange of letters, or something of that kind. But I do not think any effective answer has been made to the request of the hon. member for Eglinton.

Section agreed to.

Sections 39 to 62 inclusive agreed to.

On section 63—*Accounts of Canada*.

Mr. Macdonnell (Greenwood): I just want to say a word about this section. I had rather hoped that some change might be made in

[Mr. Sinclair.]

the form of casting up the public accounts, bringing them nearer to the income and expenditure system which is practised in business; but I must confess that after hearing the arguments made, after hearing the practices and reviews made in Great Britain quoted, I was convinced that probably no substantial change should be made. The Minister of Trade and Commerce will not mind my saying that I quoted him once or twice as having referred to the somewhat unusual way in which public accounts are kept, compared with those of private corporations; and I also quoted anonymously a preceding minister of finance who used to speak in the same way. I must confess the great aim of public accounts, which is to maintain the authority of parliament year by year, seems to me to be served by the present system, and therefore I have no criticisms to offer.

Mr. Adamson: The question I have to ask arises from a statement of the Minister of Finance. I asked about the redemption of securities that were paid off and he said he did not have the information there at that time. I would imagine it would be under this clause that securities redeemed and paid for would be enumerated.

Mr. Sinclair: Was this question asked in the public accounts committee?

Mr. Adamson: No; it was asked in the house. I am not a member of the public accounts committee. I asked the Minister of Finance what were the serials, what were the securities that were paid off? He mentioned that a certain number of securities were paid off, and that the surplus had been used for that purpose. I would imagine that under this clause the numbers and the amounts of the dominion government securities redeemed would be mentioned.

Mr. Sinclair: If the hon. member is referring to the statement that part of the surplus this year was used to meet the maturities which became due this year, they are normally shown in the public accounts, but of course the present year's retirements will not be shown in the last volume of public accounts because it has to do with the fiscal year ended March 31, 1951.

Mr. Adamson: I see that. My point is, there is no way of knowing where the current repayments of our funded debt are shown; that is, they are not shown until a year later in the public accounts committee.

Mr. Sinclair: That is true of all the public accounts of Canada. But any member of parliament who wants specific information on a current transaction can put a question