

*Financial Administration*

other, an explanation is due to parliament which has not yet been given; and that by methods which are more accurate than this we have agreed that the government should seek in the terms of this act and in the spirit of this act to place before us figures so that members of parliament are really exercising their authority over the money voted to the government in this house.

Section agreed to.

Section 6 agreed to.

On section 7—*Regulations*.

**Mr. Knowles:** I wonder whether the parliamentary assistant will say a word or two on this section. I did not have the privilege of being a member of the committee on public accounts, but by keeping in touch with my colleagues who were I have tried to follow what has been going on in that committee. Further, I would point out that the printed record of the proceedings of the committee has not reached us yet, so that we cannot refer to it. I understand, however, that officials of the treasury board did make some statements to that committee with respect to the provisions of section 7 which would make possible rewards to civil servants who make suggestions for the improvement of government business. Can the parliamentary assistant say whether any such statements made it clear that it is the intention of the government to make use of the permission set out in section 7 (d) (i)?

**Mr. Sinclair:** When the secretary of treasury board was before the public accounts committee he did make reference to this. He also made reference to the very able study which the hon. member for Winnipeg North Centre has made of this question and the speech he made in the house on it. In industrial firms in both Canada and the United States it has been the common practice to offer, in the form of providing rewards, incentives to employees of all ranks who offer information or suggestions which help the operations of the firms. The United States government has had such a plan in operation in their civil service for some time, and it was thought desirable that we should copy that plan, and so section 7 (d) (i) is, for the first time, making formal provision for it. Up till now of course there have been sections in the Consolidated Revenue and Audit Act which prohibited civil servants from accepting rewards for the discharge of their tasks, other than the reward which they got through their salary.

The secretary of the treasury board, when asked about the regulation, said of course that the regulations could not be drafted until this bill became an act, but that it had already

been given preliminary study and they hoped to have regulations in effect very shortly after the act was proclaimed.

**Mr. Adamson:** Will the rewards be tax free?

**Mr. Sinclair:** No, they will be income.

**Mr. Harkness:** So far as I understand the matter, the general purpose of this legislation in relation to the treasury board is to increase the powers of that board and to put it in a position where a very considerable amount of the routine material which up to this time has had to be dealt with by the privy council can be handled by the treasury board. In order to enable it to have these increased powers, these regulations, which the treasury board are authorized to make, are listed. I would like to refer particularly to paragraph (e), which reads:

The treasury board may make regulations subject to any other act, for any other purpose necessary for the efficient administration of the public service.

It seems to me that that is a very wide power. I have wondered whether something else could not be substituted, because this would seem to give the treasury board the power to make almost any sort of regulation. All they have to say is that in their opinion it is necessary for the efficient administration of the public service. Could the parliamentary assistant tell us whether any consideration has been given to phrasing that differently, so that the power would not be so all-embracing?

**Mr. Sinclair:** After all, treasury board is merely a subcommittee of the cabinet. Many matters which, fifty or sixty years ago, may have been considered very important, including those affecting civil service employment, for example, are no longer dealt with by the cabinet. In practice however the treasury board minutes still have to be approved by the governor in council. The first part of the section does relate to the treasury board minute as the final authority in a great number of these routine cases.

**Mr. Harkness:** I do not think anyone objects to that.

**Mr. Sinclair:** I am sure that is so. Paragraph (e) simply puts into a statute what has been done by practice for many years. Perhaps I could give three or four samples of the sort of thing that has been covered by treasury board, under delegation of authority from the governor in council. These would include the settlement of damage claims against the crown; action to be taken with regard to damage to or loss of public property; compensation to employees for loss or damage to property or personal goods