

*Financial Administration*

civil servants in the employ of the federal government of the United States for suggestions that save the treasury money. The parliamentary assistant pointed out to me that in the bill based upon this resolution there is a provision permitting the governor in council to set up such a system in this country. I was glad to hear that. I hope the matter will be looked at closely by the public accounts committee when it gets the bill, and that we may have more information as to what is in the government's mind in that respect when the bill comes back to the committee of the whole house. I understand the provision is to be permissive in character. I would hope that it might not be just one of those permissions that are never used. Indeed I would hope the fact that the section in the bill means that the government takes seriously the proposal that a suggestion system like that might be put to work.

On one other matter which I have raised on previous occasions I had something to say when this question was under discussion on June 25. I drew attention to the fact that the Auditor General has from time to time made quite a number of suggestions as to improvements or changes that might be made in our financial administration. The Minister of Finance said the Auditor General had played a considerable part in the drafting of this new legislation, and had been most helpful to the officials of the Department of Finance. He said, too, that many of the suggestions made from time to time by the Auditor General had been taken into consideration, and that some of them were reflected in this new bill. There is one suggestion the Auditor General has made from time to time which I drew to the attention of the Minister of Finance again on June 25. The minister suggested that it was not the kind of thing that could be included in a bill of this nature. I refer to the Auditor General's comment on the rather large number of items in the estimates from year to year which are really "vote texts that legislate". In a memorandum he presented to the other place a year and a half ago, and later to the committee on public accounts of this house, the Auditor General listed some twenty-one items in the estimates of 1950 which came under that category. And while he admitted that they could not be characterized as illegal, still he expressed some doubt as to the practice.

It was his view that the putting of such items in the estimates should be resorted to only in emergency cases, and when it was intended to have them there for only a year or two.

In other words, he objects to the idea of there being an item in the estimates year

after year for the same amount and the same purpose when it could be taken care of by a statute or by amending an existing statute. For example, a number of salaries are fixed by statute, but at some time or another the government has decided that those particular salaries should be increased. Instead of increasing a particular salary by amending the appropriate statute, the statute has been left as it is and a supplementary item has been placed in the estimates and left there year after year. For instance, the members of the civil service commission were included in the group, and there are others in the list submitted by the Auditor General. I am not sure whether there have been amendments to the Civil Service Act in the meantime to take care of that case; that may have been done, for I know that two or three of the items in the list submitted by the Auditor General have been taken care of and are now included in the regular statutes where they belong. But there are still quite a number of these items in the estimates of the current fiscal year which should not be there at all, but should be subject to regular legislation.

As a matter of fact some of these items affect the running of the House of Commons. There is the covering item to provide full indemnity for hon. members who are away part of the year because of illness, and there is the item to provide for the extra indemnity of parliamentary assistants, and things like that. They are still in the estimates. There has never been a statute to regularize on a permanent basis the payment of those particular items. This is a practice which the Auditor General does not like.

I accept the view of the Minister of Finance (Mr. Abbott) that this is not the kind of thing that can be covered in this bill, but the minister admitted that it was related to the whole subject and it would be in order to discuss it in the public accounts committee when the bill goes there. I want to say at once I recognize that there are a number of things like this which have required tidying up and which have received the attention of the government during the last couple of years. I remember in particular on one occasion, I believe in relation to this very matter or one similar to it, the Prime Minister (Mr. St. Laurent) said that it was the intention of the government to tidy up measures of this kind.

I submit that this is the occasion when that sort of tidying up should be proceeded with. In laying this measure before us the Minister of Finance said it is extremely important that the relationship between the executive and parliament be on the proper, traditional,