

The Prime Minister, speaking in the House on Tuesday May 13, 1958, as reported in *Hansard*, particularly at pages 32, 33 and 34 had this to say. At page 33 he said:

I believe that the Public Accounts Committee should be modelled after the British Committee.

At page 34 he said:

We are going to welcome the cooperation of the opposition in the discharge of their responsibilities in these committees.

The Prime Minister said further in regard to the Public Accounts Committee as reported at page 34:

I am now asking that this committee be made effective—

The Prime Minister further stated:

I want to see that an effective committee is formed and not just a body set up for decorative purposes.

The Prime Minister then referred to Beauchesne's Parliamentary Rules and Forms at page 212. The quotation is short but it is effective. It is as follows:

The Public Accounts Committee designed in the United Kingdom House, to guarantee financial regularity and audit, exercises great influence over the departments; yet it possesses no direct power other than the power to call for documents and to require witnesses to attend. Its power is indirect and lies nominally in the potential results of its reports. Actually its power lies in the publicity which it is able to give to the questions it investigates, and in the moral effect on departments of its criticism.

Gentlemen, since 1958 the Public Accounts Committee has submitted four reports to parliament. Of these four reports three were unanimous. That is to say in spite of the different views of many members on the committee, and in spite of the different parties represented on this committee, we all pooled our efforts and produced three unanimous reports out of four.

I believe that this committee, under its new set-up, has done useful work and has brought a new approach to the examination of the biggest business in Canada, a business amounting in public expenditures to over \$7 billion per year.

There is no need to go into the many recommendations made by this committee, but I should like to point out that it was the first to suggest that the crown corporations, in the Canadian taxpayers have a tremendous investment, should be subject to scrutiny. In fact, the committee has examined three of them, namely, Crown Assets Disposal Corporation, Exports Credits Insurance, and the Polymer Corporation. I hope that the committee this year will continue to examine other crown corporations.

Last year this committee put the finger on the unemployment insurance fund. A great deal of what you have heard in regard to this fund since that time is a direct result of the work of this committee.

We also investigated and suggested revisions in the form of public accounts, and those revisions have been carried out in the three volumes that we have here today.

Even the Auditor General has not escaped our attention in that we started a system of asking him for follow-up reports in respect of what happened to the various suggestions of this committee. It is now established practice that follow-up reports are made regularly each year. We even took a look at the Auditor General's office set-up.

These examples are enough to show the wide ranging character of our investigations. Certain ground rules have developed from this experience and I would like to mention only three.