Canada. In fact, this report points out the costly errors made by people who think they are competent and honest.

I feel the errors are deliberate in most cases. A person can make an error once, but when the error is repeated, one can wonder about the honesty of some civil servants.

Following the submission of those reports, we unfortunately note that there is a certain rivalry between the Auditor General and the government. Indeed, it became obvious a few months ago when the government blamed the Auditor General for failing to submit his report in time.

The Auditor General stated why it was late, as he had already done on many occasions at the end of several financial years.

At the beginning of the report which has just been given to us, the Auditor General mentions once again the difficulties he experiences when auditing public accounts. I will quote in that connection the last two paragraphs of section 8 on page 4 of the report which in my opinion are liable to throw some light on the situation. They are as follows:

In my opinion, this action by the Treasury Board Secretariat is unfair and discriminates against the Auditor General. It should be corrected forthwith. If it is allowed to stand it will mean that his Office is prevented from employing auditors in the highest classification in the Public Service of Canada. It will also mean that in order to reach the highest classification in their profession, his most experienced auditors must leave the Office of the Auditor General.

This is the position as it stands. The Auditor General is denied the right to hire the staff he needs and to determine their salaries at his discretion. This makes it very difficult for him to find the qualified staff he requires and even prevents him from retaining the one he presently has. If these employees want a pay increase or an improvement in their working conditions or of their situation, to which every federal civil servant is entitled as would be any other employee of the private sector or of an other level of government, they have no choice but to leave the Auditor General's Office and seek another job in private concerns or in government departments.

I proceed with my quotation from paragraph 8 of the report:

This action points up more clearly than anything else that if the Auditor General of Canada is to be truly independent he must be free to recruit the staff he needs and to determine their salary levels within the framework of the Public Service of Canada.

This is the situation, Mr. Speaker. Working conditions in the Auditor General's office are really difficult. Apparently it needs at least 28 or 30 officials to attain the necessary strength to perform worthwhile duties expected to be done within reasonable time.

Mr. Speaker, yet the Auditor General's office manages fairly well to audit all the departments' books. Maybe it does not work under the best of conditions but it succeeds just the same in making audits and in pointing out operating and management faults within these departments. Each year the Auditor General's report is studied by a committee especially set up for this purpose and whose chairman is chosen among the official opposition members so as to make it as unprejudiced as possible, it seems. In turn the Public Accounts Committee brings in each

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year several reports and makes recommendations to the government. But the government is reluctant to accept and implement these recommendations.

The report of the Auditor General for this year mentions at least 38 recommendations of the Committee on Public Accounts that still lie idle and have not been implemented. And one wonders whether the government or some of its departments have at least examined them.

Mr. Speaker, in view of this situation, we have no other alternative than to ask once more the Committee on Public Accounts to scrutinize the report of the Auditor General of Canada, to make once more to the government recommendations that it will deem fair and necessary. Let us hope that the next government whatever it may be will take steps to implement these recommendations and to grant the Auditor General of Canada and his staff all the freedom required to perform their duties adequately, for we hold the view that the office of the Auditor General of Canada is in a certain way the keeper of the nation's business. He has a duty to reveal publicly mistakes that have been made, to make suggestions and to trust that the government will correct the situation.

If you consider all the amounts that have been spent unnecessarily by the various government departments, you realize that millions of dollars have been spent uselessly. Here is one more reason to be concerned over this situation which has been recurring year after year without the government doing anything about it.

Once again, Mr. Speaker, I hope the government will give more special consideration to the recommendations made in this report, as well as to those of the public accounts committee.

Unless steps are taken, the Canadian public will increasingly lose confidence in this nation's administration, and this could have serious consequences.

To conclude, Mr. Speaker, I again urge the government to accept the Auditor General's main recommendation that he be given all possible freedom in the hiring of his staff, and at the same time, that he be allowed to keep the qualified staff which is now serving him, in the interests of highest efficiency.

## • (1250)

## [English]

Hon. C. M. Drury (President of the Treasury Board): Mr. Speaker, in rising to participate in this debate may I say that we welcome the motion for two reasons. First, we welcome its operative part, that part saying that this House reaffirms the fundamental principle of the Canadian constitution that parliament must control expenditures of public moneys. That is one part of the motion to which the government does and can fully subscribe.

Mr. Baldwin: It has a funny way of showing it.

**Mr. Drury:** Unfortunately, the motion is unsatisfactory in that it appears to have been based on a series of false premises. If it were in order to amend this motion, we would point out or propose some amendments which would correct the motion, instead of noting those items in the motion which, I suggest, are inaccurate, to say the least. I would, instead, suggest to the House that it note