

Supply

control of expenditures and trying to find ways to effectively reduce them.

Has the Treasury Board in the past acted as a comptroller? Time and again in investigating the role of the Treasury Board I have discovered it often delegates authority to individual departments. Invariably departments seem to control their own expenditures. Individual departments historically have overspent. In the private sector if that were the case we would expect job losses and all kinds of negative connotations. Overspending in the past seems to have been a merit system. As the department spent more money it became larger and larger.

Studying the estimates is very difficult. I know members have a great deal of difficulty going through individual estimates to get a handle on how government spends. I am looking at the estimates and I see three lines. One is the 1995-96 estimates, one comparison column is the 1994-95 forecast, one is a 1993-94 actual. None of these three columns is a place in time. None compares estimated to actual expenditures. It must be very difficult for members of Parliament and others reading these documents to make any sense of where expenditures are occurring and where we have overshot our original estimates.

• (1955)

How can we make government accounting more understandable? I know we are moving slowly to set up an accrual system within government and to record assets. What do I mean by that? Currently the accounts of Canada are kept on a cash basis. We only record things when we actually pay for them and we only record revenue when we actually receive it.

I am not trying to demean farmers but they have been keeping their records on this matter for the last 100 years. It seems the business of government is big business and we need a better methodology of capturing what governments are doing. A more understandable methodology would be instead of focusing on the expenditure system we now have, we possibly think about revising it. What do I mean by that?

We should look at two aspects of expenditures, investments and consumption; in other words, governments spend and what do they spend on. They spend in forms of investment, which is education, training, anything that upgrades the skills of the country.

The other expenditure is finance consumption. We look at programs like the Canada pension plan, unemployment insurance, transfer payments in support of social services. These are all programs in essence that finance consumption.

If we could look at government accounts from a more focused point of view and ask ourselves whether it an expenditure for investment or an expenditure for consumption, we would have a

better concept of how governments spend and more effectively how governments can spend so they are actually putting some good back into the economy. For instance, do we want to spend money on training or do we want to spend money on unemployment insurance? Clearly our focus should be to upgrade skills, possibly focusing on high school students who have dropped out of the educational system and upgrading their skills so they can get back in the workforce.

If we undertook an accounting system a little more focused it would give us a better idea of how governments spend and why. Clearly we have to reduce total expenditure but while we are reducing total expenditure we should also consider a shift from the consumption side of government to the investment side.

Today I was pleased to introduce a private members' bill. Since it deals almost exclusively with this very area, certainly a coincidence, I cannot help but resist in speaking a little about what that private members' bill would do to increase the accountability of government programs.

The bill basically requires all new programs entered into by the government, individual departments presenting programs to the House, prior to their being presented, be properly costed. Properly costed means they also have a certification by the auditor general that the methods of projecting costs were appropriate. This goes back to some of my original comments.

How did we get into the problem of overspending in the first place? It seems we have fallen into a lull where we bring in programs that sound good, somebody says they cost a certain amount but nobody really knows because they have not taken the time to do that properly, and two or three years later when the bills start coming in we discover the thing is way out of hand.

• (2000)

The bill would also take these programs and cost them on a per capita basis. In other words, each individual in the country would know that he or she is paying x number of dollars as a share of this program. That may give individuals in the public domain a better perspective of what they are paying for these programs.

People feel very removed from the estimates and other aspects of government financing. They feel it is not their money. Many people believe in magic, that somehow things happen magically either in Ottawa or the provincial capitals, that somehow the money coming back to them is not really theirs but the next door neighbour's or someone else's. If there was a proper accounting system that costed programs on a per capita basis, people would take more of an interest in the kinds of programs governments are announcing.