

Financial Administration

Unless the present boom is going to be different from all other booms, which no sensible man hopes or believes, and is going to go on forever—and of course we should remind ourselves it has always been a characteristic of booms that while they were on people thought they were going to last forever—one day we may find that such a thing as a deficit does exist. Therefore we should welcome this measure, the purpose of which is to try to enable us to carry on our own business better.

I do not propose to take the time of the house to go into a lot of details. I understand this measure will be referred to a committee and I merely wish to raise a few points of principle which I think are important and which I hope will be seriously considered by the committee if and when this measure reaches it.

First of all I should like to say a word about the powers being given to the treasury board. I observe that a good deal of detailed powers are being given to the treasury board, and by and large it would seem to me that is very wise. So far as my research, which has been limited, has gone, I would say that a good many of the powers that are being given to the treasury board are going to relieve the governor in council of details and that it is a wise delegation. However, I think there is one thing which should be borne in mind. In handing powers to the treasury board caution should be exercised in superseding the jurisdiction of other public bodies. That no doubt is a difficult problem, and I shall give one illustration of the kind of thing I have in mind. I observe that section 7, subsection (d), paragraph (i), reads as follows:

The treasury board may make regulations

(d) notwithstanding the Civil Service Act,

(i) authorizing the payment to persons in the public service of compensation or other rewards for inventions or practical suggestions for improvements.

Then there is a further paragraph which speaks about reimbursement for travelling or other expenses. I am not going to pause on that. There are details there which I think could be gone into, but I am just raising this question. Here is what looks like a somewhat important invasion of the powers of the civil service. It may be wise or unwise, but I venture to sound a note of caution there.

I go on now to comment with respect to section 22, again raising the question of powers, although this is a somewhat different

[Mr. Macdonnell (Greenwood).]

power. This is the power of the governor in council. The section reads:

The governor in council, on the recommendation of the treasury board, whenever he considers it in the public interest, may remit any tax, fee or penalty.

Further on it is provided in the same section that when that is done a statement of each remission of \$1,000 or more granted under this section shall be reported to the House of Commons in the public accounts. We all know that things reported in the public accounts come many months afterwards and that it is not as effective a means of reporting as we would like. I take this occasion to raise that as something which I think the committee might very well consider.

I come back again to the treasury board and I refer to section 5 under which the treasury board is to assist in budgeting and other things, and I pause to say just a word about budgeting.

I was interested in reading a book entitled "Financing Canadian Government" by A. E. Buck. He has many interesting things to say, and incidentally I ran across a figure he gave as to the extent of the accuracy of budgeting in Great Britain where, according to him, they arrive at an accuracy of something like 2.5 per cent. I am not going to make a comparison with our own, because the circumstances are somewhat different. But frankly when we consider what has been going on it is hard to believe that our budgeting is dealt with as it should be. Sometimes one finds it hard to understand how serious men can go so far wrong. Sometimes one wonders, after several years of being so wrong, that they would have been able to know how great an error to make in order to be right. It reminds me of the old quip in *Punch*—one of the many criticisms of the London telephone service. A customer calls up central and says, "What wrong number must I call in order to get London Wall 6677?" It ought to be possible for this government, with these gigantic mistakes which are made year after year, to say we are going to be \$500 million wrong or \$700 million wrong and correct their estimate accordingly.

At any rate, I would have thought it would have been possible, by guess and by God—no, no, by calculation of past errors—to know how great an error to make. I do not want to press that farther, and I do want to recognize that part of the bad budgeting has been due to increased inflation. What has been often said here before, of course, is that increased inflation is partly due to bad budgeting. We know the argument. If you take much more than you need it sends up