

set up in the first instance it was thought that they might be more temporary than some other activities that are carried on, and another reason is that many of these activities are carried on under the direction of some other body. If this becomes a successful set-up, I presume there will have to be a body outside the department itself to take care of its activities. It might result eventually in what the hon. member for Grey-Bruce has been suggesting, so that there might have to be a board associated with it. For the time being we simply say that appointments are to be made in this way.

Section agreed to.

On section 6—Inspection and audit.

Mr. COLDWELL: We have the same phraseology in section 6 as in section 6 in the other bill. Instead of the governor in council it speaks of the minister.

Mr. GARDINER: I am quite prepared to accept the change, but in addition to that I should like to make an amendment to this bill, which we attempted to introduce into the other bill last night, but withheld in consequence of the representations of the hon. member for Kootenay East. I wish to have it in this bill, however. When I went to the office last night I received serious objections from an organization who consider themselves at least as important as the organization referred to here. They are an association of auditors and they regard themselves as just as important in the east as this organization is. I think it is unfair to permit one to do this work and not the other, and I suggest that an amendment be made, although I am not going to go back to the other bill in order to insert a similar amendment. That other bill can operate for a year without such an amendment.

Mr. CRERAR: I move that the words "a chartered accountant" in line 5 be deleted and that the word "an" be substituted, and that after the word "accountant" the words "or auditor" be added.

Mr. MANION: There was an objection from this side of the house. I must confess that I am not thoroughly familiar with the titles by which members of this profession are designated, but it is a recognized profession throughout the country. These accountants audit large financial statements, private and governmental, and chartered accountants are recognized by a degree. If we leave out this qualification it seems to me that any man might be called in to do the work whether he was properly qualified or not. Personally

[Mr. Gardiner.]

I should like to have an explanation from the minister as to why the change is being made.

Mr. GARDINER: Last night when I went to my office the matter was brought forcibly to my attention in a communication from an organization of auditors in eastern Canada, who, my officials inform me, do a great deal of this work, and are just as well qualified to do it as what are generally known as accountants. This is an organization which is set up and, I think, properly constituted in the eastern provinces, and it is the desire of the department that we should not discriminate between them. Both groups are well qualified. I do not think there is any choice so far as qualifications are concerned, but the one group call themselves an association of auditors and the other an association of accountants. I understand that the one group are just as well qualified as the other to do the work.

Mr. MANION: What the minister says may be correct, but it seems strange to me that any group of auditors sufficiently well equipped to audit large accounts for a government should not have in their firm chartered accountants. It seems to me that to-day all financial accounts are audited by chartered accountants. Take, for example, the Canadian National Railways; we had a group, a firm of chartered accountants, appointed to audit the books. True, the auditors were changed by this government, but they also appointed chartered accountants. I do not understand yet why a protest like this should be sufficient to cause this change. Far be it from me to wish to prevent any sufficiently qualified auditors from doing work of this kind; I do not wish to prevent any men who have a right to do a government job from doing it; but I submit that there should be chartered accountants to audit matters such as this, which may run into tens or possibly hundreds of thousands of dollars.

Mr. DUPUIS: I would call the attention of the leader of the opposition to the fact that chartered accountants in this country, at least in eastern Canada, are not very numerous. On the other hand there is an association of qualified auditors and accountants with experience over a long period who have done, as the minister said, efficient work similar to that which will be required under this bill. If the bill limits the selection to chartered accountants I think it is unjust to the other association, and moreover it might not be possible for the department to find a sufficient number of chartered accountants to cover the