

special report from time to time on any matter he considers to be of a significant nature, so it seems to me that surely this loophole should be closed. I am not suggesting for one minute that the present President of the Treasury Board would exercise that opinion, but as I said earlier, the true test of this legislation will be how it stands the test of time. I want to reiterate again that we in our party have great confidence in the present Auditor General. We can well understand what he has gone through in terms of the bargaining and negotiating which may have taken place, particularly as a result of the 1976 report he brought before the House. It was a very strong report, with some very strong recommendations. In very straightforward language it called upon the government to clean up the mess. The Auditor General was very straightforward and frank in advocating a formula for cleaning up the mess, and the recommendation of the appointment of a controller general was certainly one recommendation about which he felt very strongly.

However, I suppose it is fair to say that he was also very keen about getting this legislation through. He was very excited about it. I think there had to be some balance, a little bit of give and take, and quite frankly I am sure we can sympathize with him in trying to obtain the best of both worlds. While the relationship between the Auditor General and the President of the Treasury Board appears to be very close, I am sure that will not in any way jeopardize or compromise the ability of the Auditor General to do his job properly. I hope that in the future, when others are appointed to this very onerous and difficult task, the relationship between the government and the appointees will be kept at a distance in order to preserve the independence and effectiveness of this very important position.

It should be recognized that under the present arrangement the office of the auditor general has a fair amount of financial resources to distribute in terms of obtaining professional help from the accounting profession. This, too, is a matter which cannot be treated lightly. The auditor general has millions of dollars to distribute on outside contracts, which could easily go to friends of the party in power. That is why it is very important that we choose an auditor general who has the high calibre and the high degree of integrity of the present Auditor General. In that connection, I have to note that it was with a great deal of reluctance that the government accepted the idea that minimal qualifications should be imposed upon the appointment of auditor general. We proposed, and the government accepted the fact, that the person who is selected for this office should be a qualified auditor. The original section of the act did not define any qualifications whatsoever.

It is important that the confidence of the public and of parliament be maintained. If the auditor general is to be seen as a strong, independent watchdog of the funds which are distributed on behalf of the people of Canada, in order for him to keep that confidence and that independence he must be a man who is highly competent and highly qualified in this field. Only in this way can he maintain the effectiveness of the office as well as its prestige and integrity.

Auditor General Act

I spoke a few moments ago about the large amount of funds now available to the office of the auditor general. In no way are we questioning the efficacy of allowing a rather substantial increase in appropriations for the office of auditor general. Since this Auditor General was appointed, the budget of his office has increased from \$3.8 million to \$20.4 million. That means that the office has been significantly strengthened. It has been strengthened because of the resources available to the office and the additional manpower it has, and it will be strengthened by this legislation.

However, throughout the process of strengthening the office of the auditor general, parliament has been weakened. That bothers us. It bothers us that amendments such as the valid amendments proposed by the hon. member for Peace River (Mr. Baldwin) are treated so lightly and casually. The auditor general releases his report, the report is referred to a committee and in many respects the committee becomes an adjudicator. It has to consider the report and hear the evidence of the minister or the government officials involved, and in many respects it has to be the judge. The committee does not have the power, the resources or the capability to do this job in an effective manner.

The committee should have unlimited power to call witnesses and papers. The auditor general can exercise the provisions of the Inquiries Act. We went through such an exercise when we were dealing with the AECL and the Polysar issues. Notwithstanding a very determined and sincere effort on the part of committee members from both sides of the House, we were not able to get very far in getting to the bottom of the references which were alluded to in the report of the Auditor General.

It is important that the office of the auditor general be strong, but it is also important that we recognize that the auditor general is a servant of parliament. He reports to parliament. The committee which receives his report must be equally strong so that it can deal with his reports in an intelligent and effective manner. With the power of parliament being eroded, a strong auditor general could do a good job. But in many ways parliament is powerless to act. We must remember that in the 1976 report he warned the country that parliament is close to losing control of the public purse.

● (1720)

What disturbs me is that neither Bill C-20 nor any other measure of the government we've seen lately do anything to alleviate this state of affairs. My colleagues and I have tried to have measures incorporated in the bill which would provide an expansion in parliamentary powers to complement the increase in powers and resources given to the auditor general. We wanted the public accounts committee to be protected by statute and to be given the investigatory powers, the staff and resources that would enable it to do its job. The inability of the committee system to deal effectively with the report of the Auditor General is highlighted by his 1976 report. I refer specifically to the matter of AECL. The Auditor General was only able to report the irregularity in this case because proper