

*Revenue and Audit Act*

public service independently, as they now are except under the control and direction of the comptroller of the treasury.

So with the auditor general it is believed that this will afford a more effective and complete control over—shall I say?—the maintenance of the proper relation between disbursements as made and the appropriations of parliament as granted, and over contracts which call for the disbursement of money provided, and as regards the actual expenses that go along from day to day, so that it might be possible at any given time to obtain from the office of the comptroller of the treasury an absolute and complete statement of the obligations of the country at any particular day with respect to contracts for public works or any other services that have to be performed. As it stands now, it is very difficult to do that, because you would first have to go over each department, and in addition one would have to know with certainty what the position was with respect to the letters of credit that at present are obtained through the auditor general by each department and are deposited as the operations of a separate branch of the public service. We think that this will make it a little easier to maintain control, and we think it will provide more effective checks. I may say that one of the most distinguished firms of auditors in the empire made a report for one of our provinces within the last few years, and they suggested that it was very essential that something of this sort should be done. Successive investigations by audit boards in Canada have indicated the desirability of some such action, so that so far as is humanly possible one can provide for contingencies which are always occurring. We believe that this will afford some method of control which I am sure the right hon. member, with his large experience, will realize has been lacking not only with respect to what I call the revenue side of it but also with respect to the disbursement side as well. It will secure absolute uniformity in accounting practices, at any rate, and will prevent drafts being made against appropriations which at any time may over-expend the appropriations.

Lastly, and of great importance, it will ensure the ability of those charged with responsibility from day to day to ascertain the exact relation between expenditures and appropriations in the public service. Above all we believe it will prevent the possibility of what might be called "understandings" upon which men sometimes ground claims against all governments, because there shall be no right to maintain actions for claims either in law, equity or otherwise, unless there

(Mr. Bennett.)

is evidence by contracts which have been registered with the comptroller of the treasury. We believe these safeguards will ensure better accounting in Canada.

Sir EUGENE Fiset: Is it the intention of the government by order in council to define the duties and responsibilities of the comptroller?

Mr. BENNETT: It will be observed that the governor in council may assign to the comptroller additional duties. Part of the duties, however, is provided by statute as contained in the section to which attention is now being directed, and succeeding sections.

Sir EUGENE Fiset: Is section 21 the only section which affects and refers to the duties of the comptroller, or do subsequent sections make further reference to the matter?

Mr. BENNETT: As the bill progresses my hon. friend will see that the use of the word "comptroller" indicates that in various contingencies that official will have certain duties to perform. If, however, there are any duties which are not adequately covered by statute new duties may be assigned by order in council.

Mr. STEWART (Edmonton): I think the bill is a most admirable one. I take it that there will be just one branch of accountancy which will be under the comptroller, and that the letters of credit which have given a free hand to the department will be a thing of the past.

Mr. BENNETT: Yes. My hon. friend from West Edmonton who speaks after a long experience realizes exactly what is involved. The change cannot be made at once, and that is the reason provision is made for doing it gradually. The suggested change is in conformity with modern accountancy, although in some parts of the world people have found it too unwieldy to maintain one central body and for that reason have set up at least two, and sometimes more. So far as Canada with her present population is concerned, we believe one body will be ample.

Mr. STEWART (Edmonton): I would hope it would be sufficient. I have a suggestion to make with respect to the Department of Justice. We have scattered through all the departments legal gentlemen who are competent to give advice, but when it is necessary to put the imprimatur of the Department of Justice upon any document of importance, that document must be referred to the Department of Justice. I cannot see