

Mr. Deputy Speaker: Is it the pleasure of the House to adopt the motion?

Some hon. Members: Agreed.

Motion agreed to and bill read the third time and passed.

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CURRENCY AND EXCHANGE ACT

MEASURE TO AMEND CERTAIN PROVISIONS OF THE ACT AND OTHER ACTS IN CONSEQUENCE THEREOF

The House proceeded to the consideration of Bill C-5, to amend the Currency and Exchange Act and to amend other acts in consequence thereof, as reported (with amendments) from the Standing Committee on Finance, Trade and Economic Affairs.

Hon. Marcel Lambert (Edmonton West) moved:

That Bill C-5, an Act to amend the Currency and Exchange Act and to amend other Acts in consequence thereof, be amended by deleting Clause 5 and by renumbering the subsequent clauses accordingly.

● (2100)

He said: Clause 5 of the bill actually proposes that the Auditor General examine the books of account of the Foreign Exchange Currency Fund and report to parliament, as he does in his annual report, and he shall certify to a number of things that are required under the act. Now it is proposed that the Auditor General compile his report but submit it to the Minister of Finance (Mr. Macdonald) who will then in due course table it in the House. Why this change? The Auditor General is responsible to parliament. I am sure Mr. Macdonell would be the first one to deny that he is the one who should tell parliament what it should do in regard to its relationship with him.

I found it passing strange, in discovering what was behind this proposed amendment, that it was for conformity, that there would be a tidying up, that down at the management level some lower officials in the Auditor General's office discussed with officials of the Department of Finance the possibility of getting some uniformity. After all, it would seem to be administratively tidier to have all the procedures the same. But why?

I find that responsibility is being centred more and more in the cabinet. The report on the performance of the Foreign Exchange Fund is not like the report on the operations of some Crown corporation. I find it singularly strange that if you ask any minister of the Crown who is responsible for a Crown Corporation which reports to parliament, about some aspect of the operation of that Crown corporation, this stock answer is, "I will pass the hon. member's question to the corporation. I have nothing to do with the direction of that Crown corporation". Yet they maintain that the Auditor General should report to the minister. That connotes a degree of responsibility. If I am told to report to a man, it is because that man has some authority over me. If I am told to deliver a report to an

individual who will act as the conduit to higher authority, that is an entirely different thing.

When it comes to management and to fielding questions, the minister stands up in the Chamber during that 45 minute quiz show that is so loved by the media—they think that the sun rises and sets on parliament from 2.15 to 3 p.m. every day, Friday excepted—and says he will pass the questions on to the management of the corporation and will report back, or he tables a report from the corporation under the provisions of Standing Order 41(2). So on the one hand they are the first to duck responsibilities, but on the other hand, for administrative convenience the Auditor General is being asked to report to a minister, who, incidentally, will file the returns, but that is not the point.

The Auditor General is responsible to parliament. My goodness, we have passed Bill C-20 this afternoon, and what does that bill say with regard to the Auditor General? It sets up a great case that he is parliament's best friend, that he is the watchdog, to use the popular newspaper term. What did we do here? Did we put another ring in the chain around his collar?

In the committee we were not very satisfied with the evidence that was given, and I am concerned about it. Even if the Auditor General did give his assent to this change, I do not think, with the greatest respect to the Auditor General, that it is his business to tell us to change. The Auditor General may be an adviser in his role of criticizing government operations, which it is his duty to do, but his responsibility is to parliament, not to cabinet. Yet this motion sets it in and closes the final door. I put the amendment forward so we could have this debated in public. It was debated in committee, but frankly no one comes to the committee to hear it.

I regret very much this feature of the bill. The rest of the bill is perfectly fine, but this House and the other place in accepting this feature will have taken a step backward rather than taking a step forward. In my view the Financial Administration Act should be changed so that the Auditor General, in submitting his reports on Crown corporations, should report through the minister and not to a minister because, in my view, the office and the role of the Auditor General in respect of the House of Commons are sacrosanct. We have just knocked them on the head. I am opposed to Clause 5 of the bill.

Mr. Gordon Ritchie (Dauphin): Mr. Speaker, I should like to take a few minutes to support my colleague, the hon. member for Edmonton West (Mr. Lambert), in the idea that the Auditor General report directly to parliament, not to the Minister of Finance (Mr. Macdonald). I suppose there are good arguments to be made on both sides.

I was interested in reading the debate and the arguments of the hon. member for Waterloo-Cambridge (Mr. Saltsman) when he suggested that perhaps the Auditor General should report to the Minister of Finance. It seemed to him that the Auditor General would not be able to make specific comments on what was happening to the fund and that only the Minister of Finance could take action to change or correct Canada's