

Financial Administration

Motion agreed to, bill read the second time and referred to the standing committee on industrial relations.

FINANCIAL ADMINISTRATION

PROVISION FOR CONSOLIDATION AND REVISION OF CERTAIN ACTS, AUDIT OF PUBLIC ACCOUNTS, FINANCIAL CONTROL OF CROWN CORPORATIONS, ETC.

The house resumed, from Friday, November 16, consideration of the motion of Mr. Abbott that the house go into committee to consider the following resolution:

That it is expedient to introduce a measure to consolidate and revise the Department of Finance and Treasury Board Act and the Consolidated Revenue and Audit Act, 1931, and certain other acts; to provide for the organization and functions of the treasury board and the Department of Finance, and the appointment and functions of the comptroller of the treasury, to regulate the collection, management and disbursement of public money, public borrowing, the management of the public debt, and the acquisition, recording and issue of public stores; to provide for the keeping of adequate public accounts, the audit thereof, and the appointment, salary and functions of the Auditor General of Canada; to provide for the control of the financial affairs of crown corporations; to regulate the terms and conditions upon which contracts may be made on behalf of His Majesty; to provide a procedure for the write-off of debts owing to His Majesty that have become uncollectible; and to provide for the management of the consolidated revenue fund and for the making of certain payments therefrom.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I believe that when this matter was under discussion on Friday last I moved the adjournment of the debate, for there are a few comments I should like to make.

First I want to say that we welcome the introduction of this measure. As the Minister of Finance (Mr. Abbott) indicated last June and as his parliamentary assistant indicated on Friday, we feel that the business of government, particularly in a financial way, has increased so tremendously in recent years that it has become necessary to review our legislation respecting financial matters and put all of it in one statute if that can be done. As was pointed out the other day, this bill was placed in our hands through the medium of being given first reading on June 25; hence we have had a few months in which to look it over.

I agree with the Minister of Finance and his parliamentary assistant in their statement that the various officials of the Department of Finance, the Auditor General and others who worked on this matter have done a good job.

I understand that this bill is to go to the committee on public accounts. I may say that this is another instance in which one

resolution he spoke more extensively than he might have, had he chosen to do otherwise. In introducing a resolution it is customary to set forth the broad features of the changes which are anticipated in the forecast legislation. But when the minister spoke in introducing the legislation on November 8 he made an extensive review of the administration of the act since its inception, and he took some time in making known the broad features of the amendments which were being announced by this resolution. The speech by the Minister of Labour at that time was one that could have been reserved for the house on the second reading of the bill. That is one of the reasons I chose to be brief at this stage.

Before taking my seat I wish to give a preliminary answer to the question the hon. member for Winnipeg North Centre (Mr. Knowles) has chosen from the several which he asked the other day. It was: Can a contract which is actually in force be amended to take advantage of the added privileges to which a purchaser will be entitled from the moment this legislation is passed? I may say to him that, as I intimated the other day, any contract in force can be improved to the limit of the possibilities set out in the contract itself at the rate prevailing under the said contract. That is the reason, in reply to a question put to me the other day by an hon. member, I said that a contract actually in force for less than the maximum amount could be increased to \$1,200 if \$1,200 was the maximum annuity payable under that contract, that it could be increased to \$5,000 if it was one of the contracts which were issued at the time when the maximum annuity payable was \$5,000 and so on. But if a purchaser wishes to increase his maximum annuity under an existing contract to an amount over the maximum payable under his contract, so as to reach the new maximum of \$2,400, he will have to be satisfied with the existing rates of interest and mortality tables. That is what I had in mind the other day when I replied to a question asked by one of the hon. members.

Mr. Knowles: In other words he takes out a second or supplementary contract. Is that what the hon. member means?

Mr. Cote (Verdun-La Salle): I would not say what interpretation the minister will place on the powers of discretion which are being given him, to which my hon. friend referred a moment ago. The minister has power to recommend the amendment of an existing contract or the substitution of a new one. The powers are there. I think that all that is required to meet the wish of the prospective purchaser my hon. friend has in mind is in the amendment recommended to the house.