

add anything to what was said in that regard by my hon. friend from Yale (Mr. Stirling) except to point out this, that as it now is proposed to amend this section the governor in council is to draw on the consolidated fund by way of loan or advance, "or by way of guarantee, grant financial assistance to any province to enable the province to provide for any expenditures for direct relief or for relief measures, up to an amount not exceeding in the aggregate the total amount which may be otherwise payable to such province." I must say I think that is a piece of clumsy draftsmanship, and I do not say it offensively. There is an agreement by which the province is to secure a grant for relief purposes, direct and indirect, of \$5,000,000, of which sum the province is to find half, or, for the sake of argument we will say \$2,000,000. Under this provision the governor in council may, instead of asking the province to find the money, lend them the money or guarantee the money. In other words, the dominion will finance the whole cost of the undertaking, (a) by paying its proportion of the cost under the agreement, and (b) by either lending or guaranteeing the balance that may be necessary to enable the province to discharge its obligation under the terms of the agreement. The language means that or nothing. It was to just such provisions as these that such strong exception was taken. The effect of it is to enable the government through the governor in council to make agreements with the provinces for any expenditures that may be thought desirable, without limitation, and to provide that the province shall for the sake of the agreement discharge a certain portion of the liability thereunder; and then under this section the governor in council can go further, namely, lend or advance money out of the consolidated revenue fund, or guarantee it—in other words, pay the piper by recourse to a cheque upon the consolidated revenue fund.

Mr. ROGERS: There is a limitation, of course.

Mr. BENNETT: Yes, but the only limitation is the limitation of the amount involved in the agreement.

Mr. DUNNING: Read subsection 2 of section 4.

Mr. BENNETT: I am coming to that. I am going to inquire what subsection 2 means in that regard. It says:

No agreement entered into under the provisions of this section shall be binding upon the dominion until approved by resolution of the House of Commons.

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Does that mean that after the house rises and the government enters into an agreement, having regard to the recommendations made by the commission of yesterday—it will be yesterday, too—the house, no longer in session, will be asked to give its approval to the agreement? How can the house no longer in session give its approval? When I heard the Prime Minister read this subsection again this afternoon I could not understand it. Parliament acts in two ways. In every case, as Redlich says, there must be a submission to it of a question by the Speaker from the chair. A resolution of this House of Commons has no binding value upon anybody or anything, and a resolution of this House of Commons and of the Senate has no binding value. There must be the consent of the commons and the senate and the crown in order to complete the legislation that may be required. Remember that unless this house does approve, it is not binding upon Canada.

Mr. DUNNING: Will my right hon. friend permit me?

Mr. BENNETT: Yes.

Mr. DUNNING: I have just learned that the Senate has sent back certain bills which are required to be reported to this house, and I would therefore move that the committee rise, report progress and ask leave to sit again.

Progress reported.

THE ROYAL ASSENT

A message was delivered by Major A. R. Thompson, Gentleman Usher of the Black Rod, as follows:

Mr. Speaker, the deputy of His Excellency the Governor General desires the immediate attendance of this honourable house in the chamber of the honourable the Senate.

Accordingly, the house went up to the Senate.

And having returned,

Mr. SPEAKER informed the house that the deputy of His Excellency the Governor General had been pleased to give in His Majesty's name the royal assent to the following bills:

An Act to amend The Dominion Franchise Act.

An Act to repeal The Economic Council of Canada Act, 1935.

An Act to provide for the deduction from compensation in the Public Service.

An Act to amend the Income War Tax Act (Special Tax).

An Act respecting a certain Trade Agreement between Canada and the United States of America.