

Department of Transport Stores

point out that the position under the present law is that there is a ceiling of \$1 million on the amount that can be advanced, and a ceiling of \$1,600,000 on the value of stores that can be held in the inventory. Until this year the legislation has been based on those two different restrictions, one by way of ceiling on the advances, and the other by way of ceiling on the value of the stores in the inventory. For some reason or other the Department of Transport is now asking that those two items be lumped together, and that the new section read:

The amount of advances to the Minister of Transport shall at no time exceed \$5 million.

In other words, they are lumping together the stores on hand and the amount that can be drawn before there has been an appropriation by parliament. We objected of course to the provision for an increase in the advances from \$1 million to \$5 million; at the same time there is a provision in the bill which strikes out the restriction on the value of stores; that section is being deleted.

I think the minister's offer to include in the new section 5 the words, "including the amount of stores on hand from time to time", meets one of the objections, but there remains the question as to the total figure that should be written into the section. Some of us have suggested to the minister that the figure should be \$4 million rather than \$5 million. We believe the amount that can be spent without appropriation by parliament should be carefully restricted. The minister is now basing his figure of \$4,500,000 on an inventory of stocks amounting to slightly over \$2 million, an inventory of stocks in Newfoundland of about \$1 million, and then he wants working capital of \$1,500,000. It is my understanding that the Newfoundland stores are largely at Gander airport, and that while at one time they reached the figure of about \$1 million they have since been reduced by \$300,000 or \$400,000. It does not seem reasonable that half as many stores should have to be kept in Newfoundland as in all the rest of Canada. Yet that is exactly what the minister's figures mean. There are \$2 million worth of stores in the rest of Canada and \$1 million in Newfoundland. That does not seem to be reasonable. As I said a moment ago, I am told that the Newfoundland stores have been drastically reduced, and that they are still being reduced.

Of course it was stated time and again in 1937 by the present Minister of Trade and Commerce and also by Mr. Dunning, then minister of finance, that an attempt would be made to keep the stores down to a minimum. I believe the Minister of Transport should agree to a new figure of \$4 million. I think that gives him ample leeway, and

[Mr. Green.]

it serves as a check on his officials. They are getting the right to spend money that has not yet been appropriated by parliament, and in addition they are getting the right to have this large amount of stores on hand. I think there should be a check placed on them. I do not believe they will be badly hurt if the figure is placed at \$4 million. I hope the minister will agree. After all, there are only one or two other cases in our whole governmental structure in which departments can spend money before it is appropriated. The minister gave the printing bureau as an illustration, but I do not believe they have the right to draw in advance up to the amount of \$1 million. He also gave the example of the Indian affairs branch of the Department of Citizenship and Immigration. Apparently they have the right to draw moneys in advance before appropriation.

Here we have a total turnover of only \$8 million in the whole year. With the figure set at \$4 million I think the minister's officials will have ample power to carry on. It will be an incentive to them not to draw ahead unless they have to do so, and it will also be an incentive to keep down the amount of stores on hand. If he finds in two or three years that they need a larger figure, then I think it is a very good thing for him to have to come back to parliament and explain why, because in effect parliament is being by-passed by legislation of this kind.

I hope the minister will agree to put the figure at \$4 million. If he will do so I do not think there will be any more argument.

The Chairman: Is the hon. member withdrawing his amendment?

Mr. Green: My amendment is standing at the moment.

Mr. Knowles: Mr. Chairman, I want to thank the minister for the further, and dare I say better, explanation he gave this morning than was given on the 5th of May. I also want to say that I appreciate his readiness to meet some of the arguments that have been advanced from this side of the house by the amendment which he has indicated he will be prepared to move if the hon. member for Vancouver-Quadra will withdraw his amendment to the first clause of the bill. It is difficult for us to judge whether \$4,000,000 or \$4,500,000 should be the figure. I think it is significant, however, that in view of the debate which took place, and the representations made from this side of the house, the minister has seen fit to split the difference and be satisfied with \$4,500,000. But the more significant part of the proposed amendment, if I understand it, is that which makes it clear that the \$4,500,000