

Financial Administration

questions, and his reply was that the problem had presented itself to him and he had been informed that no provision for ministerial car allowances was necessary in the statutes setting up these new departments, because it was paid on the basis of this item in the estimates for 1931.

There was an exchange of views in the fall of 1949, and I made some further remarks on December 10 of that year, as they are set out at pages 3122 and 3123 of *Hansard*. Then after that I wrote to the Auditor General in the matter, because, as has been pointed out repeatedly, he is the servant of parliament, and each and every one of us has the right to take up with him any matter about which we may be concerned. In turn it is of course his obligation to answer any letters we submit to him.

I drew his attention to this whole question, and to the discussion we had had in the house. Mr. Sellar replied to me in a letter of December 14, 1949, of which I shall read a part:

Dear Mr. Knowles:

Replying to your letter of the 12th, may I say at the outset that perhaps I am not the best person to interpret vote 352 of 1931, because I drafted it.

That was the interesting comment with which Mr. Sellar began his letter. Then he proceeded to say:

I was then assistant deputy minister of finance, and as there was then no deputy minister in office, I was responsible for the routine in connection with the estimates book. The instructions were to prepare a "continuing" item and have the text approved by the then deputy minister of justice.

Apparently that was done, and the wording of that item was in the form I have already quoted from the Appropriation Act, No. 5, 1931. While what follows in this paragraph of the letter does not bear strictly on the point I raised, it indicates the way in which these items in the estimates can be used in a legislative way to provide something that was never intended. Please note that this is a letter from the man who drafted the item in question, and this is what he says:

Frankly I was surprised when, some years later, it was ruled that the latter part of the text provided authority to appoint one of the chauffeurs who, in the interval, had served as the private chauffeur of the then prime minister, Mr. Bennett. I was in sympathy with the appointment, but had assumed continuity of employment was an implied condition of the text.

The idea of the original item was that all the chauffeurs who were then driving ministers' cars, provided they had been employed for a certain length of time, were to be transferred to some other jobs in the government service. But it turned out that a man who was not so employed at the time,

but who later became a chauffeur to Mr. Bennett, at a still later date was given another appointment on the basis of this item. The wording of the item seemed to be clear. The very man who drafted it expresses amazement at the use that was made of it. I mention this because it indicates the importance of careful drafting of items in the estimates and the obligation that rests upon the government not to take advantage of the wording that may be there or of the rulings which the Department of Justice may give. That is the plea I make with reference to this \$2,000. I suggest that the government should not take advantage of the rulings that have been given that it is legal. The fact of the matter is that it has never been written into a permanent statute and I think it should be brought out into the open and dealt with. Let me go on and quote further from Mr. Sellar's letter where he says:

On several occasions I have expressed the opinion to the public accounts committee that legislating by the Appropriation Act has undesirable characteristics,—

That is the whole point of what I am talking about at this stage, that legislating by means of the appropriation acts has undesirable characteristics.

—and in the report of this office to the House of Commons a year ago I drew attention to the situation. See paras. 39-42 of the attached marked copy.

Mr. Sellar was referring to a copy of the Auditor General's report for 1947-48 which he sent to me with his letter. He goes on to say that more recently he had been informed that he might be called before the Senate and had prepared a memorandum. He sent me some portions of that memorandum which he expected to present to the Senate. Time has moved on since and he has appeared, not only before the Senate but before the public accounts committee of this house. All that was in that memorandum is now out in the open. Mr. Sellar goes on to say:

I assume from the discussion in the house that you are exploring the matter with the deputy minister of justice, therefore I will not discuss the question from the legal angle.

In other words, I have to say quite frankly, Mr. Sellar does not question the legality of this money being paid out, but he goes on to say, and this is important to us when we are discussing the whole financial set-up of the government and parliamentary control:

My official interest is that of preserving parliamentary control over the public purse.

I am sure that the parliamentary assistant will agree with me that that is the pith and substance of the bill now before us, the