

cial warrant and (b) the appropriate amount to be provided in each special warrant for each acceptable item.

In the Audit Office view these guidelines were not always followed in the preparation of the special warrants and a number of the items provided for did not meet the test of being "urgently required for the public good" as required by section 28 of the Act.

Furthermore, payments under the special warrants continued to be made after Parliament assembled on January 18, 1966 until Appropriation Act No. 1, 1966 was assented to on February 8, 1966. Payments made during this period cannot be said to be "urgently required for the public good when Parliament is not in session..."

Examples are as follows:

1. Two of the five special warrants included an item "Subject to the approval of the Treasury Board, ... to supplement the payroll provisions of other votes...". Obviously payment of the amounts was not urgently required when the special warrants were issued, and the Governor in Council in effect delegated to the Treasury Board his authority under section 28 of the Act although there is no provision for such delegation.

2. Three of the special warrants included contributions or grants which require prior specific approval of Parliament:

- (i) the special warrant dated November 29, 1965 included funds for a special voluntary contribution to the United Nations, in the amount of \$3,923,000;
- (ii) the two special warrants dated November 29, 1965 and December 29, 1965 included a total of \$2,750,000 for "contributions to Ontario and Quebec of one-half of the aggregate of amounts paid by each such province in assisting eligible livestock producers who were affected by adverse weather conditions, to obtain feed during the period May 16, 1965 to May 31, 1966". The only payment made was \$190,000 to the Province of Ontario on January 13, 1966;
- (iii) the special warrant dated December 29, 1965 included an amount of \$500,000 for "contributions to British Columbia of one-half of the aggregate of amounts paid by the Province to or in respect of eligible tree fruit and grape producers as a result of vine, fruit tree and crop

losses incurred by such producers during the period December 1, 1964 to November 30, 1965 and a contribution to the Province in respect of the administrative expenses incurred in making such payments to producers;

- (iv) an amount of \$1,000,000 was provided in the special warrant dated November 29, 1965 for "payments to eligible producers in Lake St. John and Abitibi-Temiskaming Regions of Quebec, in respect of the aggregate loss of agricultural income suffered by all producers in each such region during the period July 1, 1964 to June 30, 1965, in accordance with terms and conditions prescribed by the Minister of Agriculture". No payments were made under this portion of the special warrant; and

- (v) the special warrant dated January 7, 1966 provided \$12,000,000 to the Department of External Affairs for the "International Food Aid Program, including commodity contributions to the United Nations Relief and Works Agency for Palestine Refugees in the Near East and to the World Food Program". Payments aggregating \$830,609 were made on January 27 and February 1, 1966, both days on which Parliament was sitting.

3. The special warrants dated November 29, 1965 and December 29, 1965 provided a total of \$4,100,000 for advances to Atomic Energy of Canada Limited "to finance the construction of the Douglas Point generating station; to share in the construction of the Pickering generating station under agreement between the Federal Government, the Province of Ontario and the Hydro Electric Power Commission of Ontario; to finance the construction of an engineering design office at Sheridan Park; to finance the construction of housing and other works near the Whiteshell Nuclear Research Establishment".

No advances were required because interim supply had provided \$7,094,500 of which \$394,500 remained unspent at February 28, 1966.

4. A total of \$48,000 was provided by the three special warrants dated November 1, 1965, November 29, 1965 and December 29, 1965 for administrative expenses of the Municipal Development and Loan Board.