

Appropriation Act No. 8

Department of Finance, but now we are being asked to pass supplementaries of \$95 million. Mr. Chairman, we have inflation but in that respect I do not think there is anything to compare with these figures I have read to you.

I make the plain statement that this is the manner by which parliamentary control can be circumvented. I believe it was circumvented last week. I do not like it. I have said I will vote for interim supply, but I want to be on the record as opposed to the manner in which the civil service was paid last week. I certainly will be opposed if the civil service is paid again out of vote 15 before March 31 next. I repeat that in 1954 there was \$1 million under vote 15, and \$1.5 million under vote 117, a total of \$2.5 million. Now, for the present financial year there is \$15 million under vote 15 and \$95 million in supplementaries. I am not trying to be funny but I ask you, Mr. Chairman, is this the Liberal party?

Mr. Hales: On a point of order, Mr. Chairman, and in order to bring this debate to a close, I wish to say I understand that the minister has agreed to refer this matter to the public accounts committee, except the legal aspect of the question. Is this the interpretation I can take from what the minister has said?

Mr. Benson: What I have said is that I recognize the right of the committee to look into the wording of vote 15 and ask questions on vote 15 in the public accounts presently before it. I have said that the particular transactions, indicating each vote and the amount used from each vote, will appear in *Hansard*. The amount by which this vote was supplemented, which was \$2.16 million, will have to be repaid. I shall bring the details before the house later today, and ask that they be included in *Hansard*.

Mr. Hales: The public accounts committee can only deal with those matters that are referred to it by the house. The Auditor General's report for 1965 has been referred to this committee, and we, in the committee, are dealing with it. I take it that we are within the bounds of our terms of reference relating to that report if we deal with this particular matter that we have been discussing.

Mr. Pugh: Reference has been made several times to the fact that this is an acknowledged procedure in the House of Commons. I would like to ask the minister, was a legal opinion sought by the department or its minister in previous years concerning the covering of

increases by vote 15 or a combination of the other two votes?

Mr. Benson: Mr. Chairman, the government does not normally have to ask for a legal opinion to include an amount in a vote, or with respect to increases in a vote. Some such thing may have happened in the past. I am not positive of this and would have to do a little investigation. I mentioned yesterday that we are hoping to include in next year's budget individual votes to cover some anticipated salary adjustments that may have to be made.

This was not done in previous years, and unanticipated increases in salaries which occurred during a year were provided for by supplementary estimates under vote 15. Yesterday, I indicated that I have been concerned about this matter, and so has the Minister of Finance. We are looking into the possibility of bringing into the original estimates an amount to take care of at least part of salary increases. I may say that such increases have totalled more within recent times than was the case previously.

Mr. Pugh: The minister may wonder at my concern as to why it should have been necessary to ask for a legal opinion this year. I am wondering whether it was due to the sizeable increase in the vote, and thus it was felt absolutely necessary to get a legal opinion this year.

Mr. Benson: No. In these particular circumstances, we arrived at a situation where it appeared there was going to be a great deal of difficulty among civil servants with respect to their mid-month pay. We naturally looked through the votes to find those in which supply was completely passed. There also was no particular doubt in our minds about those cases in which amounts were left over from the six twelfths or seven twelfths supply already passed, but there was some question in our minds as to the matter of transferring funds out of vote 15. I think if one looks back at previous Auditor Generals' reports one will find that there have been questions raised from time to time with respect to vote 15.

On this occasion, when it appeared that the funds were there, it was decided that we should get an opinion. The net total involved was \$2.16 million. I have already produced the extracts from the treasury board minutes, and these have been printed in *Hansard*. I felt we should have a legal opinion before we took the step that we did, and the legal opinion supported our action.