

Order Paper Questions

can prove this point, I wish him the best—that the use of the word “and” makes the latter part of that long sentence just a \$1 item.

As I read the wording of the vote, we are being asked to provide the sum of money I just indicated to the Cape Breton Development Corporation to cover certain losses and a few other things, and also to make payments in lieu of taxes to the municipalities on Cape Breton Island in a manner slightly different than is provided in the act. The act says that Devco can make grants to municipalities in lieu of taxes only on lands that are owned by the corporation. This is being expanded by the terms of this wording to cover what is called the personal property of the corporation. But there are two things that seem to make it different from other kinds of votes, the kinds that Your Honour has properly ruled out of order. In the first place it is not just a dollar put there in the legislation; it is a huge sum of money. I take it that the money which Devco is to be allowed to pay to the municipalities in grants in lieu of taxes is included in that \$21,976,000.

The other thing that is significant is that it is not an ongoing item, as is the case with the Transport item; it is a one-shot item; it is for the year 1977-78 only. I am sure my friend, the hon. member for Calgary Centre, is not objecting, nor is my friend down the way, the hon. member for Cape Breton-The Sydneys, objecting—

Mr. Muir: The hon. member heard what the hon. member for Calgary Centre said. He has no objections whatsoever to the vote for the Cape Breton Development Corporation. In fact, we want to increase it.

Mr. Knowles (Winnipeg North Centre): I will say that if the wrong means was being employed to achieve the end, we would have to object, but I do not think there is anything wrong with this means of granting the extra money to Devco to make these payments in lieu of taxes. If it was a \$1 item amending the act, I think that would be questionable. If it was being amended for all time, that also would be questionable. But in fact it is a grant of a certain number of dollars that are right there in the estimates which are to be used for this purpose for this year only.

Just as I feel very strongly that the Transport item is a piece of ongoing legislation which changes the act, so I feel that this is not ongoing legislation, this is not a \$1 item but a grant of an actual number of dollars for a specific purpose.

My friend, the hon. member for Cape Breton-East Richmond, said to me—and I am sure the hon. member for Cape Breton-The Sydneys feels the same way about it—that some other corporations down there, such as Atomic Energy, and so on, ought to be doing the same thing, and that the municipalities on Cape Breton Island which are suffering because the Crown corporations there are not paying taxes should get the compensation or the reimbursement they need. This has been mentioned by the hon. member for Calgary Centre, and by the hon. member for Cape Breton-The Sydneys in his interjection.

No one is opposed in principle to what is being done, and I am ready to say that if I thought the means were wrong we

[Mr. Knowles (Winnipeg North Centre).]

would have to propose that this item be dropped and that a special one be brought in. But I will simply repeat the point I made. It seems to me that this item is not in the category of \$1 items which we have opposed so relentlessly time and time again; it is not a \$1 item but a \$21,976,000 item which is a proper matter to be contained in a supply bill.

Therefore, my submission to Your Honour is that you should find the item on page 142 out of order with respect to the (B) part and that the necessary piece of legislation separate from this bill should be brought in. We will then give it quick passage. But, I see no reason to object to handling in this way the extra money to Devco to make these larger grants in lieu of taxes to the municipalities on the Island of Cape Breton.

[*Translation*]

Mr. Pinard: Mr. Speaker, last March, the Chair ruled on the procedural acceptability of legislative items in the estimates, and last Wednesday the President of Privy Council and Deputy Prime Minister (Mr. MacEachen) told the House that we had prepared the supplementary estimates and examined very closely the Chair's rulings, and that we had tried to take them into account and to amend the supplementary estimates accordingly.

[*English*]

You made it very clear, Mr. Speaker, that you will not permit items in the estimates the purpose of which is primarily to legislate other than with regard to annual expenditures. My friend, the hon. member for Calgary Centre, quoted you correctly on what you said last March 22, and I do not want to repeat the quotation. I would add that you then indicated that the amount of the item was irrelevant, whether it is \$1 or \$5 million. You proceeded then to reject two items of estimates the primary purpose of which was to amend legislation other than appropriation acts.

In the present set of supplementary estimates, objection has been raised to a number of items. First, objection has been raised to item 31a under Regional Economic Expansion. This item, in the amount of \$21,976,000 reads as follows:

Vote 31a—Payment to the Cape Breton Development Corporation to be applied by the corporation in payment of the losses incurred in the operation and maintenance of the coal mining and related works and undertakings acquired by the corporation under section 9 of the Cape Breton Development Corporation Act, including administrative expenses chargeable to the coal division—

This is where it becomes interesting.

—and notwithstanding section 31(2) of the said act, for grants to municipalities on Cape Breton Island not exceeding an amount equal to the taxes that might have been levied for their 1977-78 fiscal year by the municipalities in respect of the personal property of the corporation if the corporation were not an agent of Her Majesty.

The objection appears to be to the phrase “notwithstanding the said act”. In effect, this expression amends the Cape Breton Development Corporation Act. At first glance, this may be taken to offend against your proscription. A closer examination, however, raises some serious doubts.