

Exhibit 2.

Statement by Minister of Finance, House of Commons, C190154
February 17, 1927 (Revised Hansard, p. 391)

Expenditures by means of Governor General's Warrants.

May I now say a few words on the method employed to carry on financial obligations by way of expenditures during the present year. There seems to be a general belief that owing to the method of obtaining supply by governor general's warrants, considerable saving in our usual expenditures was effected. Examination of the expenditures during this period does not show such a result.

On the 28th June last the then Prime Minister resigned. The following day the leader of the opposition took office. On the 2nd July the members on arriving for the purpose of attending the sitting of the House found that dissolution had taken place. The Right Hon. Mr. Meighen was faced with the problem of insufficient supply until a duly elected House could assemble. Before dissolution one-quarter of the main estimates, or supply sufficient for the months of April, May and June, had been authorized by interim supply. The new government had recourse to the issue of governor general's warrants. Warrants were obtained during the months of July, August and September, amounting to \$48,708,473.11. Examination of the records shows that for the most part these warrants were issued for services contained in the main estimates, one-quarter of which had been voted by parliament by way of interim supply.

In addition these warrants covered a number of services set out in the supplementary estimates which were tabled but no portion of which had been voted. As stated, the total amount of governor general's warrants issued under the brief administration of the Right Hon. Mr. Meighen was \$48,708,473.11.

Expenditures for the corresponding period of the previous year were \$49,000,000, practically the same amount as covered by the warrants issued by the Meighen administration. It will thus be seen that practically no savings in expenditures under governor general's warrants were made in that period.

The present Prime Minister resumed office on September 25, 1926. The duly elected members of the new House were summoned for the 9th of December. In the meantime, pending the meeting of the House, it was necessary for the present