

Appropriation Act No. 8

Two pages later, we find the comment:

I instructed that all money votes be examined in order to determine whether or not it would be possible for the government to meet its present commitments. The commitments in this regard do not cover the estimates which have been passed, and I think that includes about 50 per cent of the commitments.

I want to draw to your attention, Mr. Speaker clause 3 which you will find in the three supply bills which have already been passed. Bill No. C-157, known as Appropriation Act No. 3, relates to the months of April and May and provides for two-twelfths of the total of the items in the main estimates. The bill carries the usual paragraph 3 regarding the purposes for which an item may be paid or applied.

The amount authorized by this act to be paid or applied in respect of an item may be paid or applied only for the purposes and subject to any terms and conditions specified in the item, and the payment or application of any amount pursuant to the item has such operation and effect as may be stated or described therein.

I also have here Bill No. C-189 known as Appropriation Act No. 5 covering the month of June. It contains the same provisions in clause 3.

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Then we have Bill No. C-226, Appropriation Act No. 7, providing for four-twelfths of the total of the items in the main estimates. The same clause 3 appears. I am quite certain that once moneys have been voted by parliament they cannot be diverted to uses other than those approved by parliament itself. And I maintain that clause 3 does not give authority to divert moneys for the payment of any salaries.

Look at the bill before us, Appropriation Act No. 8, being for one-twelfth of the year. Hon. members will find clause 3 there, again:

The amount authorized by this act to be paid or applied in respect of an item may be paid or applied only for the purposes and subject to any terms and conditions specified in the item, and the payment or application of any amount pursuant to the item has such operation and effect as may be stated or described therein.

Then why are we asking officials of the civil service to determine whether or not it would be possible for the government to meet its present commitments from unexpended estimates which have been passed when clause 3

[Mr. Cowan.]

definitely limits the use to which money can be put once it has been passed by parliament?

I regret exceedingly that this subterfuge should have been used and that recourse was had to vote 15 of the estimates of the Department of Finance. Vote 15 reads as follows:

Contingencies—To supplement other votes and to provide for miscellaneous, minor and unforeseen expenses not otherwise provided for including awards under the Public Servants Inventions Act, subject to the approval of the Treasury Board, and authority to re-use any sums repaid to this appropriation from other appropriations.

If the payroll of the federal government is a minor item, that is news to me. If it is unforeseen, I think we need sharper officials looking into the appropriations of this house because, to me, payrolls are not unforeseen expenses.

The vote reads: "Contingencies—To supplement other votes and to provide for miscellaneous, minor and unforeseen expenses not otherwise provided for—" and the total, in the year 1966-67, is \$15 million. I do not believe for one moment that this vote should have been used for the payment of salaries in various departments for which supply had not been granted. I should like to quote the Minister of Health and Welfare (Mr. MacEachen) who spoke, in opposition, on October 5, 1962 when he was commenting on the action of the then government in bending the Customs Tariff and the Financial Administration Act to their needs in order to raise and lower tariffs, an act which was distinctly illegal inasmuch as they kept no records of the \$1,000 rebates granted to importers.

• (4:30 p.m.)

As I stated before, Mr. Chairman, when we moved to the right of the Speaker in this chamber, we found there was no written opinion from the Deputy Attorney General justifying the action, although we were told it existed in the department.

As recorded at page 264 of *Hansard* for October 5, 1962, during the throne speech debate the present Minister of National Health and Welfare said this:

The government was faced with this exchange crisis and it took action. The Prime Minister (Mr. Diefenbaker) in a statement to the people of Canada stated that action was necessary to save the dollar. Action was taken and embodied in an order in council which the Prime Minister said was within limits approved by parliament; that he was acting with authority given to him by parliament. The order in council that put into effect sweeping emergency measures rests on two statutes: the Customs Tariff and the Financial Administration Act. One part of the order in council removes the application of the British preferential and intermediate tariffs and accordingly raises the level of