136 SENATE

has been practically all spent, through Governor General's warrants, I presume, and we are now asked to vote an additional \$65 million without—and I think this is important—prior parliamentary approval. It would seem that not only here but elsewhere throughout the country we have almost completely revised our ideas on government spending. Last year's main estimates, together with the supplementaries voted last autumn and these further supplementaries, bring the total expenditure for the current fiscal year close to \$2 billion 400 million, which is a very large sum.

The custom in the past was to appropriate, by Governor General's warrants, extraordinary expenditures necessitated by disasters such as floods or fires. We have departed greatly from that practice, and I should like to draw attention to a few of the items here. It is true that the big item of \$46,523,350 is to cover the deficits of the Canadian National Railways and the Trans-Canada Air Lines, and so I think they may be accepted with little criticism. Everyone was aware that there were going to be deficits on the railroads this year, and they knew they would have to be met.

But let us take the first item the administration service of Agriculture. Here we are asked to vote an additional \$12,000 for the Publicity and Extension Division. My contention is that when the Department of Agriculture calculated its estimates for the current year it should have included, either in the main estimates or in the supplementaries, all it required for publicity and extension purposes.

The same argument applies to many of the other items that appear in this list. Take Citizenship and Immigration. An additional vote of \$100,000 is required for the welfare of Indians. Since the supplementary estimates were passed, some four or five months ago, has there been any great emergency that requires an additional vote of \$100,000? I do not know of any, and I do not believe there has been any. It seems to me to be fair criticism to say that the Indian Affairs Branch did not accurately foresee its needs. Or it may be that in these days, when public money is spent so easily, the branch thought another \$100,000 could be obtained if it was asked for. The money probably has been spent-I dare say it has—but this is an unsound principle on which to base our public finance. Except for extraordinary unforeseen needs, no money should be spent by the government until it has been voted by parliament.

Hon. Mr. Duff: Hear, hear.

Hon. Mr. Crerar: If we get away from that principle we shall be moving on to rather dangerous ground.

Hon. Mr. Quinn: That is poor business.

Hon. Mr. Crerar: The total amount asked for by this bill is more than \$65 million. If we deduct the amounts required for the Canadian National Railways and the Air Lines, there remains a total of approximately \$20 million, made up of amounts asked for by the various departments. I do not like that, and I hope that when the government brings down its supplementaries in addition to the estimates already tabled for the next fiscal year, it will budget for what it requires and will not come back to parliament later for approval of expenditures that have been made before being authorized by parliament. That is a principle which we should keep firmly in mind.

With the general remarks of the leader of the opposition (Hon. Mr. Haig) I find myself in some sympathy. I am alarmed—I was almost going to say appalled—at the rate at which our governing authorities of all kinds are spending public money.

Hon. Mr. Horner: Hear, hear.

Hon. Mr. Crerar: The amount of money extracted from the Canadian people in taxes today by all governing authorities is not very far below \$4 billion. Now, on the basis of our present national production and income we could probably support that, but I wish to say to this honourable house that if within the next three or four years there should by any chance be a drop of 20 or 25 per cent in our national production and income-and we are living in an uncertain world—we should be faced with grave difficulties in the whole field of public finance. Lenin, who was the leader in the establishment of the present Russian Soviet republics, is on record as having stated that one of the surest ways of undermining the democratic capitalist system was by bringing every possible kind of pressure on their government to spend money, so as to cause them to either run into deficits which have to be made good by borrowing or to resort to heavy taxation. Either course has dangerous implications for our democratic way of life.

It is not with any thought of criticism in my mind that I make these remarks; but I do believe it is very important that we should adhere to sound parliamentary practice in the spending of public money.

Hon. James P. McIntyre: Honourable senators, before the leader of the opposition (Hon. Mr. Haig) had concluded his address I was called out and so missed his last remarks, but I did hear him saying that the people of Canada could not stand the present taxation imposed upon them by the government. The honourable gentleman has now left the chamber, but if he were here I would inform