

Revenue and Audit Act

relief. This, I may say, was made when the budget was first prepared in connection with the \$20,000,000. Perhaps my right hon. friend remembers that the report tabled showed that there was set aside for direct relief the sum of \$4,000,000; and while it could not be a contract in the sense in which it would create a contractual obligation, the allotment was nevertheless a public contract to that extent if it became necessary to use it. But if, with the expiration of the fiscal year, there were no longer any outstanding obligations to continue direct relief, my right hon. friend and I would not be far apart. Under the conditions that existed, however, continuing payments were being made, because the fund was still existent and unexpended; and the Minister of Labour recommended that within the terms of that allotment the sum paid should be more than one third, namely, one half, in connection with transients. The point made by my right hon. friend may not be entirely free from doubt, but having regard to the circumstances in connection with contractual obligations which were all reduced to writing, with respect to which the right hon. gentleman is fully informed, and also what I called the other day the appropriation of \$4,000,000, which is in reality an allotment from the appropriation, as the right hon. gentleman properly said, of that sum, it seems to me that so long as the principle is maintained, of spending not more than that sum out of the appropriation, parliamentary control is still secure; because the whole \$20,000,000 was appropriated by parliament for the purposes indicated in the measure. While there would be a lapsing on March 31, that lapse would be with respect only to that part of the vote for the expenditure of which provision had not been made: (a) by contracts with the provinces; (b) by payments for federal understakings; (c) for payments to municipalities; and (d) for payments for direct relief to the extent of \$4,000,000. And the increase of the contribution from one-third to one-half, if out of the \$4,000,000, is, I submit, in strict adherence to the rule about which there is no difference between my right hon. friend and myself. The difference between us is only with respect to the application of the rule to particular facts. I submit that what has been done has been in strict adherence to the rule, and my right hon. friend says he thinks the rule has been violated because the appropriation should have lapsed on March 31 with respect to the balance of the \$4,000,000 then unexpended.

Mr. STEWART (Edmonton): The evils which my right hon. friend is trying to cure by this act have grown up just in that way—

[Mr. Bennett.]

contractual obligations for, let us say, the construction of public buildings, and so on. It was with respect to works not completed at the close of the fiscal year and which could not be paid for—although there was money, either from some oversight or for some other reason the particular appropriation was inadequate—there began a practice which I am glad to see is to be stopped entirely, the practice of what I would call kiting moneys over. That may not be the proper expression, but it is one I would use.

Mr. RYCKMAN: It is well understood.

Mr. STEWART (Edmonton): I have even heard of kiting cheques. I do not think there should be offered any excuse for an appropriation going over the end of the fiscal year. Parliament is usually in session; and it is not so much that I object to the straining of parliamentary control, but there is a definite date when all votes expire and new votes must be provided. I think my right hon. friend and his comptroller will find out that the slightest departure from that policy will serve as an example to somebody else to try it on some other very important matter which perhaps would require a warrant. Warrants are always available and governments can resort to them where serious difficulties are apparent. But under no circumstances should any appropriation be carried over the end of the fiscal year.

Section agreed to.

On section 27—Issues out of consolidated revenue fund.

Sir EUGENE Fiset: Will this section apply to special deposits in trust?

Mr. BENNETT: Perhaps my hon. friend did not observe that a previous section dealt with trust funds specifically.

Sir EUGENE Fiset: Yes. But what I have in mind is the certificate of the comptroller on which cheques are to be issued out of the consolidated revenue. Would this apply to temporary deposits in the consolidated revenue, such as money raised by the Canadian National and deposited to the credit of the consolidated revenue fund of Canada temporarily or in trust?

Mr. BENNETT: I would say that that would be the case because it is in consolidated revenue even although it is in trust.

Sir EUGENE Fiset: It is in trust?

Mr. BENNETT: Although it is in trust.

Section agreed to.

Sections 28, 29 and 30 agreed to.