

*Appropriation Act No. 8*

money into the contingency fund from which they can meet all their commitments, whether they be emergency commitments, unforeseen commitments or anything else. This would destroy our system of the granting of supply.

Is now not the time for this question to be investigated? Is not this the time for the Auditor General to give an early report to parliament? Then, for the next fiscal year, which is not too far away, any correction that is required can be made by the House of Commons. What is wrong with a request of this sort? I am not accusing the minister of anything, but he must admit that the procedure followed a few days ago was unusual. The government was breaking new ground and we are not at all certain that this new ground should be broken.

May I direct the attention of the committee to just one other matter. On page 9948 of *Hansard* for November 15 there is printed the legal opinion respecting supply allocations. I am not questioning the legal opinion which was put forward by the Acting Deputy Attorney General, but I simply wish to draw attention to two statements which he made in that opinion. In paragraph 2, speaking of the departments which have been granted full supply earlier in the year, he said:

● (5:10 p.m.)

Having regard to the Appropriation Act No. 6, 1966, wherein full supply was granted in respect of certain estimates items including the administration votes of a number of departments, there is no legal impediment to payment out of the votes thereby approved to which salaries may be charged to employees in the departments concerned.

In the next paragraph dealing with departments which have not been granted full supply and which get it by stages through the interim grant, he makes the following statement:

—these departments have sufficient unencumbered balances as a result of the enactment of the Appropriation Acts No. 3, No. 5 and No. 7, 1966 in appropriate estimates items out of which salaries may be paid to cover payment to the employees therein of their mid-month salaries.

Mr. Chairman, I wish to draw attention to the fact that in paragraph 2 the Acting Deputy Attorney General speaks about including the administration votes of a number of departments, but in paragraph 3, he refers to "appropriate estimates items".

I ask myself what is the difference. Why does he refer in one case to appropriate estimates items from which salaries can be drawn and in another case to administration votes for ten departments for which supply has been granted? The administration votes very

largely cover the salaries of the employees of that department. I wish to draw this to the attention of the minister in the hope that he will give it some consideration. I ask him to take the necessary steps to refer this matter to the appropriate committee. I hope that the Auditor General will be present at the meetings of the committee so that a review will be made of the transactions and a report presented to parliament at the earliest possible opportunity. In this way the minister will rest assured that everything is above board.

In clause 4 of Bill C-245 it is stated that the Comptroller of the Treasury has to certify that the amount of the commitment proposed to be entered into does not exceed the total amount authorized by parliament. In view of the fact that the Comptroller General must make this certification, such a commitment should be reviewed by the Auditor General and by the appropriate committee to ensure that what the minister says is correct.

After obtaining proper assurances that the procedure is correct, parliament will have to determine its policy with regard to supply, recognizing that unusual circumstances prevailed at this particular time and recognizing that the method which has been followed in dealing with those unusual circumstances may lead parliament into a by-pass which will destroy the method of controlling the voting of money for the government's expenses.

**Mr. Peters:** Mr. Chairman, I wish to ask the minister a long question. I find that this jumping from one subject to another is very confusing, but I am particularly interested in the government's plans with regard to pipe lines. If the Federal Power Commission should decide to support the entry of the pipe line through the United States and to assume the responsibilities for such a hostage line for the re-importation of gas into Canada, what would be the government's position if the Federal Power Commission should postpone such a decision for a couple of years? They have already considered this matter for six months and they may do so for a while longer until they receive further clarification of the agreement made between the Canadian government and Trans-Canada Pipe Lines. What will be the government's position if they are asked by Trans-Canada for immediate permission to construct a pipe line through northern Ontario? It seems to me that a decision must have been reached that this line was not feasible, not necessarily from Trans-Canada's point of view although they have pointed out that the raising of money in