

Dominion Coal Board Dissolution Act

adopts the bill. They will be applied to the purposes already approved by Parliament.

• (3:00 p.m.)

Secondly, in any event, the provision for the application of funds is covered by section 81 of the Financial Administration Act in respect of corporations as set out in the schedule to that statute. We have the authorization of the Governor in Council on the advice of the minister to apply those funds in such circumstances as may be required. In effect, this is a provision to make for greater certainty, and is one which is already authorized by statute of this parliament. For that reason also, therefore, the bill will be found to be in order. I hope these two arguments may commend themselves to you, Mr. Speaker, but in any event I will be happy to abide by your decision in this regard.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I regard this as an extremely important point of order which goes to the very root of the relations between the two Houses of Parliament. I commend the hon. member for Peace River for having raised this issue last week, and I believe that it should be given most serious consideration. I should like to make it clear that our concern does not relate to the substance of the bill. In all probability, I will be prepared to support, without any question whatever, what the bill seeks to bring into effect. The simple question is this: Should a bill of this kind originate in the Senate or is it required by our constitution and our practices that it originate in the House of Commons. Should we in the House of Commons receive this bill or should we refuse to receive it—the latter, I believe, is the course we should take—whereupon the government would be in a position to introduce the same bill here in the House of Commons.

In my view there is no question but that Bill S-3 is an appropriation measure. The President of the Privy Council (Mr. Macdonald) argues that it is merely a case of putting somewhere else funds that have already been appropriated by Parliament, and he tries to find support for his argument in the Financial Administration Act. I submit that the portions of the Financial Administration Act to which he referred do not apply, but I remind him and I remind Your Honour that there is a provision in that act under which moneys, although appropriated, if not expended as appropriated, lapse. I submit that but for the provisions in subclause (2) of

[Mr. Macdonald (Rosedale).]

clause 3 of Bill S-3, the dissolution of the Dominion Coal Board would mean that the moneys appropriated for that Board would lapse. Therefore, a bill that seeks to make it possible to spend those moneys in some other way is an appropriation bill.

Bill S-3 is an attempt to give parliamentary approval for the use of moneys in a certain way, a use which has not been previously authorized by parliament. If this could be done by the Minister of Finance (Mr. Benson) under the Financial Administration Act, then this proposal did not need to be put in this bill or to be put before us at all. But the fact is that those who drew up this bill realized that with the dissolution of the Dominion Coal Board its funds would lapse, and that the only way in which the unused money could be used for some other purpose would be by an appropriation bill passed through all stages in parliament. It is because this is a bill for the appropriation of money, and for saying how certain of the public moneys are to be spent, that we contend it is the kind of measure that should originate in the House of Commons and not in the Senate.

The hon. member for Peace River read some portions of the British North America Act and some of the Standing Orders the other day, but so that the whole argument might appear in today's *Hansard* as well, may I be permitted to read some of these portions. First of all, section 53 of the BNA Act is very clear and explicit. It reads as follows:

Bills for appropriating any Part of the Public Revenue, or for imposing any Tax or Impost, shall originate in the House of Commons.

I contend, on the basis of the argument I have already advanced, that Bill S-3 is an attempt to appropriate part of the public revenue and to say how it is to be expended. There is nothing obscure, mysterious, or difficult to follow about this. This is a bill that will appropriate part of the public revenue, and therefore under the terms of our constitution, the BNA Act, it should originate in the House of Commons.

Section 54 of the BNA Act reads:

It shall not be lawful for the House of Commons to adopt or pass any Vote, Resolution, Address, or Bill for the Appropriation of any Part of the Public Revenue, or of any Tax or Impost, to any Purpose that has not been first recommended to that House by Message of the Governor General in the Session in which such Vote, Resolution, Address or Bill is proposed.

That, of course, is a spelling out of what is already in section 53. I recognize the point made by the President of the Privy Council, that we used to think that that section