

Hon. Donald J. Johnston (President of the Treasury Board): Madam Speaker, I respect the concern of the hon. member for Calgary Centre (Mr. Andre) to ensure that the sanctity of parliamentary procedures is observed. I can assure you, Madam Speaker, and this House, that there is nothing in Supplementary Estimates (C), which has been tabled by the government, which in any way departs from well-established precedent with respect to all the items to which the hon. member has made reference.

The first point I would like to make—and it is one that all hon. members should bear in mind—is that an appropriation act is an act of Parliament. It seems to me that in the course of his remarks the hon. member has ignored that very fundamental principle.

Beginning with the first item raised by the hon. member for Calgary Centre, namely, Vote 5c of Energy, Mines and Resources on page 24 of Supplementary Estimates (C), I would point out to the House and to the hon. member that the definition of any appropriation item is that it is an authority to expend moneys for its purpose, specifically a purpose as set forth in the estimates. Clearly, if one looks at the language of Vote 5c it is apparent that it is a proper appropriation within the meaning of that definition. It establishes an authority to expend money, as the hon. member has pointed out, up to a fixed amount of \$1.7 billion, for a very specific purpose, namely, the acquisition of Petrofina by Petro-Canada. Therefore, it is not at all correct to maintain, as does the hon. member for Calgary Centre, that this account will in any way be outside the estimates procedure. To effect any change in the upward expenditure limit would require a further authority, and it would have to be obtained through the estimates or some other legislative authority.

Beyond that, the hon. member is under the mistaken impression, apparently, that this fund which is being established by Vote 5c to which I have made reference and which is found at page 24 of the Supplementary Estimates, is somehow outside the Consolidated Revenue Fund. Indeed, this is merely an account within the Consolidated Revenue Fund. It will be established in the manner described in the vote. It is clear from an accounting point of view that the levies will be gathered in the fund and accounted for in respect of the accounts of Canada as part of the Consolidated Revenue Fund. What is particularly significant is that there is no attempt in any way to change any existing legislation, as suggested by the hon. member. Every appropriation item is clearly a legislative item; every vote in the estimates is a legislative item. There is no attempt here to amend existing legislation.

I can assure you, Madam Speaker, that the well-established precedents which are followed by the government and by Treasury Board in preparing estimates is to ensure that no items are to have that effect. In that regard, it might be helpful to the House, in terms of this particular item and the other items with which I will deal in a moment, to outline the circumstances in which one dollar votes are, in fact, used and will, in fact, continue to be used, and also to deal specifically

with some situations where one dollar votes are inappropriate and are not used.

First, one dollar votes will be used in the following cases: the transfer of budgetary funds between votes and programs of the same department. This is to provide operating flexibility consistent with the accountability of heads of departments and agencies.

The second is in the area of new and increased grants, since parliamentary authority is required for new and increased grants even when funds are available within the vote. That, of course, requires a one dollar item.

The third is in the deletion of debts, which is a point to which the hon. member has made reference at some length, specifically with respect to the deletion of debts which appear in Supplementary Estimates (C). The Financial Administration Act, as the hon. member points out, requires that the deletion of operating debts in excess of \$5,000 be approved by Parliament although no additional funds may be required. Hence, the deletion of debts is a proper application of the estimates procedures.

The amendment of previous appropriation acts is a fourth area where one dollar votes are used, and this is to effect changes to previous votes authorized through appropriation acts. One example which comes to mind would be increasing the limits of revolving funds.

Finally, there is a general miscellaneous category to provide financially-oriented authority in instances where separate legislation would not appear to be warranted. This is to authorize guarantees or to deem an individual to come within the ambit of existing legislation.

I suggest to you, Madam Speaker, that every single item to which the hon. member for Calgary Centre has made reference, that is to say with respect to guarantees in the cases of both de Havilland and the IDA, clearly falls within existing authorities. With respect to deletion of debts, again this clearly is within accepted practice for which there are many precedents.

However, I would like to complete my comments on this particular point, which is the use of one dollar items, by citing some instances where the government does not consider one dollar items to be appropriate. The first case is the transfer of budgetary funds between departments and agencies. This is not a concern with operating flexibility. It would be acceptable if there was a related transfer of a function between departments and agencies, but in the absence of the transfer of such a function, that kind of transfer is not acceptable.

The second case is the transfer of non-budgetary funds. This is because of the specific nature of the non-budgetary vote. I notice that the hon. member for Calgary Centre is not listening and, perhaps, I should send him a note on this aspect afterwards so that he will clearly understand the practices of the Treasury Board and of the government, which we submit are completely in accordance with precedents and the law.

Finally, the point to which the hon. member makes reference, one on which we would have agreement, is that there can