There seem to be two questions to be decided. The first is whether the method which has been followed in bringing before the House a matter which involves not only dollars and cents but a question of principle is a desirable one. If we do adhere to the theory that a vote on second reading is a vote for or against the principle of a bill, then certainly it would have been preferable for such a matter as this, which involves not only money but a question of principle, to have been brought before the House in the form of a bill in order to allow hon. members to address themselves at one and the same time to the question of whether or not money should be voted to set up a lottery, and, further, to whether or not in principle the federal government should be involved in a scheme of this sort at the present time. However, that involves the question of the desirability of such a course being followed. The arguments of the three hon. members to my left who have contributed to the discussion made a strong case in this regard.

Nevertheless, what I have to decide is not whether it is a desirable course, but whether it is a legal course in terms of our procedures, in other words, whether it is permissible. It is not proper to compare it with a one-dollar item in the estimates because these are technical in every sense of the word. Neither is it proper to attempt to compare this particular case with cases which have been argued rather ably in the past and which led to difficulty with respect to a supply bill because it contained a borrowing clause.

I say this because the borrowing clause problem surfaced only at the time the supply bill was presented. This item is fundamentally different inasmuch as it was tabled as an estimate a month ago and is therefore substantially different from the principle involved in a borrowing clause. In a situation such as this, I have to conclude that where legislative authority exists separate from the item in the estimates, and where that authority permits the establishment of the kind of corporation which is envisaged here, and indeed both the references to the Criminal Code and to the Corporations Act are supported and do in fact provide that authority, then what is happening is that the government is not coming to parliament for legislative authority to do something, but in fact possesses the legislative authority and is coming to parliament for the money to fund it.

• (2300)

Again I say the desirability of this course is open to severe question, and it would certainly be hoped that where a question of principle is involved in an urgent situation, such as that which has given rise to this course and this particular situation, it would be considered an extremely singular situation, and will not be repeated in the future.

However, I do have to find and rule that in fact the legislative authority exists separate and independent from the estimates, and therefore what is sought in the estimates, the item before the House, is the money to support that legislative action which exists independent from it. In these circumstances I have to conclude that there is no legal bar to proceeding in that fashion.

The question is therefore on the motion of Mr. Chrétien, seconded by Mr. Sharp:

Estimates

That Vote L27a, in the amount of \$5 million of the Treasury Board, in respect of Loto Canada, in Supplementary Estimates (A) for the fiscal year ending March 31, 1977, be concurred in.

Is it the pleasure of the House to adopt the said motion?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: Carried on division.

Some hon. Members: No.

Mr. Speaker: Order, please. All those in favour of the motion will please say yea.

Some hon. Members: Yea.

Mr. Speaker: All those opposed to the motion will please say nay.

Some hon. Members: Nay.

Mr. Speaker: In my opinion the yeas have it.

And more than five members having risen:

Mr. Speaker: Perhaps I might ask hon. members whether, the attendance being what it is in the circumstances, and due to the lateness of the hour, hon. members would be prepared to dispense with the ringing of the bells, or perhaps agree to a short five-minute bell. Is that agreed?

Some hon. Members: Agreed.

Mr. Speaker: Call in the members.

The House divided on the motion (Mr. Chrétien), which was agreed to on the following division:

• (2310)

(Division No. 141)

YEAS Messrs.

Abbott Chrétien Allmand Clark Anderson Andras (Rocky Mountain) Clarke (Port Arthur) (Vancouver Quadra) Andres (Lincoln) Appolloni (Mrs.) Baker Clermont Coates Collenette (Gander-Twillingate) Comtois Baker Condon (Grenville-Carleton) Corbin Rasford Corriveau Beatty Beaudoin Cullen Béchard Cyr Bégin (Miss) Danson Darling Blais Daudlin Blouin Boulanger De Bané Demers Brisco Buchanan Dick Bussières Dionne (Northumberland-Caccia Cadieu Miramichi) Cafik Douglas (Bruce-Grey) Campagnolo (Mrs.) Drury Duclos Campbell (Miss) (South Western Nova) Dupont Campbell (LaSalle-Émard-Côte Saint-Paul) Dupras Duquet

Epp Ethier Faulkner Fleming Foster Fox Francis Fraser Gauthier (Roberval) Gauthier (Ottawa-Vanier) Gendron Gillespie Goodale Goyer Grafftey Guay (St. Boniface) Guay (Lévis) Guilbault Haidasz Hamilton (Qu'Appelle-Moose Mountain) Hamilton

(Swift Current-

Maple Creek)

Hargrave

Elzinga