

Export Credits Insurance Act

them to get the services of the corporation to look after this comparatively small order.

Mr. Benidickson: Was that on long term credit?

Mr. McMillan: On long term credit. I should like to ask the minister to make some comment in connection with that matter.

As to the change in management, I think if the governor of the Bank of Canada continued to be on the board of directors of this corporation, in so far as he might have business with the corporation through his position with the bank, he might have a dual capacity. I assume that is the reason the government is changing the board of directors. I should like the minister to comment on that matter.

Mr. Benidickson: The central bank in France does the rediscount.

Mr. McMillan: Yes. I thought it would probably be better to ask these questions at this point and to have the minister answer them now.

Mr. Churchill: Mr. Speaker—

Mr. Speaker: I must inform the house that if the minister speaks now he will close the debate. I should also, if I may interrupt the minister, ask him to deal with the preliminary point which was made and which, if it is a valid point of order, would be fatal to the passage of this bill. I refer to the point that was made by the hon. member for Ottawa West to the effect that this bill is authorizing the expenditure of new money. If it is, it comes under standing order 61. As a motion for public aid or a charge upon the people which can only be introduced by a resolution. It also comes under standing order 63, which is an extremely important consideration to this house and which reads as follows:

63. All aids and supplies granted to Her Majesty by the parliament of Canada, are the sole gift of the House of Commons, and all bills for granting such aids and supplies ought to begin with the house, as it is the undoubted right of the house to direct, limit, and appoint in all such bills, the ends, purposes, considerations, conditions, limitations and qualifications of such grants, which are not alterable by the Senate.

The point having been raised, I feel that the minister should deal with it first so the house can assure itself that its privileges are not being eroded.

Mr. Churchill: Mr. Speaker, on the first point raised by the hon. member for Ottawa West may I say that I think it is based on a misunderstanding, perhaps owing to a reply I gave to a question he asked me just at one o'clock. I misunderstood his question.

[Mr. McMillan.]

He asked me whether there was any limitation on the amount of guaranteed export paper, if you can use that term, which might be bought and I said no. I thought his reference was as to whether there was any specified amount within the over-all or overriding limitation of \$200 million which would be appropriated or set aside for that particular purpose. But as he indicated in the course of his remarks, the proposed amendment under section 21B states as follows:

21B. (1) The aggregate of

(a) the liability of the corporation under contracts of insurance entered into under section 21 and outstanding, and

(b) the liability of the importers under all outstanding guaranteed instruments, shall not at any time exceed two hundred million dollars, . . .

Therefore there has been no increase and there is no increase in financial obligation in any other portion of the bill. I had this looked at when we were considering the introduction of the measure and our conclusion was that a resolution would not be required in the House of Commons because no extra financial obligation was imposed upon the crown. These limits continue to be maintained. The situation was different two years ago when I introduced an amendment raising the total amount available from \$100 million to \$200 million. Therefore I think that the point of order was raised under a misunderstanding due perhaps to the answer I gave just at one o'clock.

Mr. Benidickson: Would the minister permit a question? In the opinion of the minister does this new function involve a fairly substantial increase in employment of staff for the new function?

Mr. Churchill: No, not at all. That again is something we looked at and the present staff will be able to handle the business which will arise under this new arrangement if approved by the House of Commons.

Mr. Chevrier: May I ask the minister a question? Did the amendment he referred to a moment ago contemplate the introduction of a resolution?

Mr. Churchill: When we raised the amount from \$100 million to \$200 million I moved on December 4, 1957, as found at page 1867 of *Hansard*, that the house go into committee to consider the following resolution. The resolution was considered on that day and subsequently the bill came up for second reading.

Mr. Chevrier: Does it not follow that having done that on a previous occasion a resolution is required now when the minister brings in this bill having a different purpose, even though it does not increase the amount?