

Interim Supply

I would like to put on the record some of the reasons why we think this matter should be carefully investigated. The announcement by the Prime Minister made on Thursday evening, and the statements by the minister of national revenue on T.V. and to the press, indicated that many millions of dollars were available to the government for the payment of the November mid-month accounts without authorization being required by parliament.

According to the opinion that one would form, from listening to these statements or from reading them in the press, if the government has discovered cash reserves which were not hitherto known there must be a serious weakness in their accounting procedure which would require an immediate investigation. We were astonished at the tremendous computer exercise which was carried out by the minister, and then his gleeful note of success when he announced that he had found all this money. According to the press, it amounted to \$54 million. Now, the minister tells us it was only a little over \$2 million and it come from a fund about which everyone knew.

Mr. Benson: Mr. Chairman, on a point of privilege; I should like to say that to my knowledge I never mentioned the figure of \$54 million, either publicly or privately.

Mr. Knowles: Will the hon. member of Winnipeg South Centre let me interject a question to see if we can clarify the situation? Can the minister tell us what was the total amount required for the departments for which estimates have not been finalized for the year for the payment of mid-November salaries, combining the \$2,160,000 and the other money that he found in the various votes?

Mr. Benson: Mr. Chairman, I have already asked my officials to accumulate these figures for the house.

Mr. Knowles: You mean you still do not know?

Mr. Benson: Mr. Chairman, I have a good idea but I have learned not to quote figures that may be inaccurate.

Mr. Churchill: That is why we insist on getting the full information. Now, thanks to my hon. friend from Winnipeg North Centre, a little additional information was given us. The minister has left the impression that to meet the salary commitments he just needed \$2,160,000 from the contingency fund, but of course he had to use money from other

[Mr. Churchill.]

sources in order to make the mid-month salary payments. Why did he not tell us that immediately?

I expected him to stand up here and say he required so much money for the mid-November salary payments, and of that amount the department had such sums available and that he had to draw from the contingency fund to make up the total. However, he did not say that.

I will continue with the thoughts which had occurred to me last night, so that they will be on the record. If funds appropriated for one purpose are now being used for another, the government may be contravening the Financial Administration Act and may be acting without authority. This is the question which arises in the minds of members of parliament and of the public, because I think four people asked me this question yesterday evening.

Another question occurs to me. If the government is acting legally, then the Minister of Finance is misleading the house in asking for funds in excess of those required for the purposes set out in his resolution, and he should have made that clear when he brought the resolution before the house.

Mr. Benson: May I ask the hon. member a question? Does he wish me to deal with the questions as he puts them one by one or deal with them at some future time?

● (5.00 p.m.)

Mr. Churchill: No. These are not questions I would put to the Minister of National Revenue. I would want the Minister of Finance here to answer these questions, so that we would be certain of the information we were getting. As I said, these are questions which arose in my mind and in the minds of members of the general public. What is going on? Is there anything being hidden? This is what I want to know. I have simply phrased these questions as they were indicated to me by other interested people.

Unless some immediate action is taken, parliament will not know until some time in 1968 whether or not the government has been acting legally in the present situation because the Auditor General will not report on the present financial transactions until he has concluded his survey of the year 1967. The Auditor General reviews past accounts, and generally is 12 months behind in his survey. This is the normal procedure. Almost every report which the Auditor General submits to parliament indicates there have been errors made by the administration in the operation