

The motion was agreed to.

The Senate adjourned during pleasure.
The sitting was resumed.

APPROPRIATION BILL No. 6
FIRST READING

A message was received from the House of Commons with Bill 393, an Act for the granting to His Majesty certain sums of money for the public service of the financial year ending 31st March, 1947.

The bill was read the first time.

SECOND READING

Hon. A. K. HUGESSEN moved the second reading of the bill.

He said: Honourable senators, this bill, which has just reached us from the other place, covers the balance of supply for the current fiscal year. In section 2 it provides for a vote of \$888,954,394.10, to complete the vote required for the ordinary estimates for the year, after taking into account the amounts already voted under five interim supply bills which have been passed by parliament during the course of the session.

Section 3 calls for a vote of \$142,644,296.99 to cover the supplementary estimates, which have been in the hands of honourable members for some time.

Under section 4 a further vote of \$2,000,000 is asked for to cover a loan to the Canadian Broadcasting Corporation.

The remaining clauses of the bill are in the usual form of measures of this character.

If honourable senators will turn to the summary of the estimates for the current year they will observe that the total amount to be voted is approximately \$1,566,000,000. The difference between this sum and the \$888,900,000 covered by this bill is the amount previously voted by interim bills.

As honourable members are aware, the expenditure of a considerable amount of money is authorized by statute and does not require an annual vote by parliament. The principal items under this head are an amount of \$580,000,000 for the Department of Finance, representing, principally, the interest on the national debt, and approximately \$285,000,000 for the Department of National Health and Welfare, representing the payment of family allowances and old age pensions.

The total required to be voted for the current year, plus the total authorized by statute, amounts to \$2,769,000,000. This sum, together with the supplementary estimates now before us, makes the total estimates for the current year \$2,902,000,000.

I have had a short tabulation prepared in compendious form giving a break-down of how this amount of \$2,902,000,000 is to be expended. Honourable members will recall that when the Minister of Finance introduced his budget in the other place he stated that by far the largest single item of expenditures for the current year would relate to demobilization and reconversion resulting from the recent war. This will be apparent from the tabulation, which is as follows:

Breakdown of Estimates for 1946-47
(millions of \$)

Demobilization and Reconversion:

	Main Estimates	Supplementary Estimates	Total Estimates
War Service Gratuities and Rehabilitation Credits....	326	18	344
National Defence, including mainly pay of the armed forces, cost of equipment and supplies, upkeep and administration of military establishments.....	489	13	502
Veterans' Affairs, including \$75 millions for pensions, \$101 millions for post-discharge rehabilitation benefits, and \$23 millions for hospitalization.....	199	13	212
Reconstruction and Supply, including mainly termination of war contracts (\$80 millions), housing development (\$42 millions), crown plants (\$20 millions), coal production (\$12 millions).....	184	37	221
Finance, including mainly price control and subsidies (\$102 millions), wheat board (\$18 millions).....	140	3	143
Agriculture, mainly food subsidies (\$52 millions), and subsidies on feed grains (\$25 millions).....	93	2	95
All other items, mainly vocational training (\$18 millions), unemployment insurance (\$12 millions), old age pensions (\$9 millions) and civil aviation (\$13 millions). Note: These figures represent only that part of the cost of old age pensions and unemployment insurance provided for under authority of the War Measures Act.....	88	8	96
	1,515	94	1,619

Hon. Mr. HUGESSEN.