

it has become manifest, from statements of the British, the American and the Canadian Governments, that the United Kingdom needs immediate assistance to facilitate its purchases of essential Canadian supplies and services, and as it is expedient to provide Canadian dollars to meet this demand, the Government of Canada should introduce a measure to provide for the redemption of the Canadian securities held in the United Kingdom and to provide further for making the proceeds of the redemption thereof available for the purchase of Canadian goods and services by the United Kingdom, or, otherwise, to provide that any further credit to be advanced to the United Kingdom be against the pledge of Canadian securities held by British interests in the United Kingdom or elsewhere.

Of course, honourable senators, it is not customary to speak on a notice of motion, but in view of the probability of early prorogation, I ask your indulgence while I implement briefly the remarks which I had occasion to make the other day. Reports have appeared in the press that shortly Canada will make the United Kingdom a loan of \$1,500,000,000 or more. Now that the war is over I think we should, when making loans, provide for the protection of Canadian interests. If there is opportunity tomorrow I shall go further into the matter.

BUSINESS OF THE SENATE

Hon. Mr. ROBERTSON: Honourable senators, I have to report that business in the other place is not yet sufficiently advanced to enable me to state definitely whether or not it is advisable to adjourn until a later period this evening. Consequently I would move that the House recess until 5 o'clock this afternoon.

The Senate took recess.

The sitting was resumed.

Hon. Mr. ROBERTSON: Honourable senators, progress in the other place is not sufficient to warrant our taking a further recess until this evening in expectation of then completing the work of the session. I move therefore that the Senate adjourn until 11 o'clock tomorrow morning.

The motion was agreed to.

The Senate adjourned until tomorrow at 11 a.m.

THE SENATE

Tuesday, December 18, 1945.

The Senate met at 11 a.m., Hon. THOMAS VIEN, Acting Speaker, in the Chair.

Prayers and routine proceedings.

Hon. Mr. VIEN.

APPROPRIATION BILL No. 6

PRELIMINARY DISCUSSION

Hon. WISHART McL. ROBERTSON: Honourable senators, it is hoped that sufficient progress will be made in the other House to permit of Royal Assent some time to-day. I have suggested to the acting leader opposite that business might be facilitated if at this time I were to make a brief statement with regard to Bill 244, based on the Main Estimates, which has yet to come from the other House. Later the bill could be further discussed on second reading or in Committee of the Whole.

Honourable senators no doubt will recall that at various times we have had two appropriation bills before us for the fiscal year ending March 31, 1946. One covered the war expenditures and demobilization appropriation of \$4,365,000. The other bill covered the estimates for ordinary Government services, the total of which for the calendar year ending March 31, 1946, is \$1,023,621,000. Five-twelfths of this amount was voted during the last session to cover the months of April to August, inclusive, 1945. On each of three subsequent occasions—in September, October and November—one-twelfth of this total, less the statutory amounts, was voted to provide for carrying on the ordinary business of the country. Bill 244, which will be presented to us in due course, is for a total of \$117,775,292.34, which is the difference between the amount already voted and the total estimates for the fiscal year. The bill also asks for supplementary estimates of \$21,931,048, together with the power to raise a loan of \$200,000,000 for public works and general purposes.

Honourable senators, this appropriation in excess of one billion dollars represents an increase of approximately \$300,000,000 over last year's appropriation. I am speaking in round figures. Of that \$300,000,000 roughly \$190,000,000 is represented by family allowances; and most of the balance—as a matter of fact, about \$102,000,000—arises chiefly out of costs incidental to the war effort.

The more important items included in this amount of \$102,000,000 are:

Increase in interest on Public Debt and other debt charges	\$83,026,725
Increase in cost of administration of Income Tax and Excess Profits Tax	3,211,744
Increase in Post Office service expenditures	4,214,872
Increase in Veterans Affairs for the treatment and care of returned members of the Forces ..	12,395,655
	\$102,848,996