

*War Appropriation Bill*

Mr. HANSON (York-Sunbury): I agree with that. I want to know what the practice is?

Mr. ILSLEY: The practice is for treasury board itself to decide, and if they make a mistake they are answerable for it. But I can give the hon. gentleman, perhaps, some border-line instances, if he wants me to take up time in doing it.

Mr. HANSON (York-Sunbury): I think this is a very illuminating discussion. At least I hope it is.

Mr. ILSLEY: I am afraid I am rather encouraging questioning on it by the line I am taking.

Mr. HANSON (York-Sunbury): That is the very thing we should be doing here.

Mr. ILSLEY: For instance, in respect to the Post Office Department, it might be argued that the additional expenditure due to greatly enlarged carriage of mail for troops overseas is an expenditure which is chargeable to the war appropriation, or it might be arguable that it is not, that it is merely an expansion of the peace-time activity which must come.

Mr. HANSON (York-Sunbury): What has been the decision?

Mr. ILSLEY: I think the decision has been pretty much to put it in the peace-time expenditures. There is a considerable increase in the Post Office Department estimates this year. The hon. gentleman may notice that it is nearly \$2,000,000. A great deal of it is caused by an expansion of work on account of war conditions; nevertheless it has been put in peace-time expenditure.

Mr. HANSON (York-Sunbury): I suppose occasionally there is a conflict between one department and another. Does the Post Office Department put up a fight to have the additional expenditures charged up to war?

Mr. ILSLEY: Oh, no.

Mr. HANSON (York-Sunbury): I can imagine the Postmaster General (Mr. Mulock), with his sword unsheathed, or what-not, fighting to have this burden taken off his shoulders so that he may have a better report to present to the country, and without such a big deficit or whatever it may be. But I am not very serious about that. What I do want to know is, what is the rationale of the whole thing? The minister has given us a border-line case. I suggest to him that the proper course to pursue would be to have an expert decide this and advise the treasury board. Is there such an expert in the Department of Finance?

[Mr. Ilsley.]

Mr. ILSLEY: There is none in the world, that I know of.

Mr. HANSON (York-Sunbury): I tried to intimate that there are expert accountants in various lines of business activity whose advice might be very useful to treasury board in a case of this kind. As a matter of fact, the minister has a lot of brain-trusters surrounding him. I do not know whether or not he has enough there to take care of this class of work. My fear is that there may be charged to war account a good deal of money that ought to be charged to peace-time activities. I should like to be reassured on that point. That is a very proper feeling for me to have in the interests of the public, because I do not see very many people, especially in some departments having regard to war expenditure, who are trying to save much to the taxpayers.

Mr. ILSLEY: What is the question?

Mr. HANSON (York-Sunbury): Should there not be a system set up officially charged with the responsibility of advising the treasury board as to what is what?

Mr. ILSLEY: I think the treasury board is adequately and sufficiently advised; I do not think they require any more advisers on this point. I volunteer this information to the hon. gentleman, which again perhaps is not wise, that he should have a copy, as perhaps he has already, of an order in council that was passed last October or November, if I remember correctly, after a great deal of consideration, setting out the procedure to be followed in the approval of draft estimates and subsequent allotments.

Mr. HANSON (York-Sunbury): The allocation?

Mr. ILSLEY: Yes, out of the money voted by the War Appropriation Act. If the hon. gentleman thinks a great deal of thought has not been given to that, he is wrong.

Mr. HANSON (York-Sunbury): I am not suggesting anything of the sort; I am just asking for information.

Mr. ILSLEY: There is a long and very carefully worked out order in council which sets out the procedure, but that does not do away with the necessity of judgment being exercised at some point as to whether certain items should be paid out of the war appropriation or not.

Mr. HANSON (York-Sunbury): That is a very interesting statement. I confess at once that I cannot possibly read all the orders in council that have been passed by