

Unemployment Relief

are used, general in their character, as comprehensive as possible, involving the application of two principles; assistance to provide work and wages; and relief where work and wages are impossible.

Mr. MACKENZIE KING: The Prime Minister has made more than once in the course of his present remarks a reference to representative institutions and responsible government. I think he will agree that the manner in which parliament maintains its control over the executive is by having moneys voted by the House of Commons in committee of supply. What I want to ask my hon. friend specifically is this: Is it the intention that any part of the money now being voted under the bill to be introduced, based on this resolution, will be used for work done after the 31st March? Or is it intended to maintain the fundamental principle of responsible government whereby supplies are voted annually and that provision for the needs of the fiscal year 1931-32 shall be made in the supply bill of that year?

Mr. BENNETT: I think the right hon. gentleman will recall that in a previous session I did direct attention to the fact that where a contract is made for the construction of a public building at, say, a cost of \$2,000,000, the appropriation for the year is sometimes \$250,000 or \$300,000, but it follows of course that Canada is committed to the expenditure of the whole sum by reason of having executed the contract, although parliament has only granted by supply bill a very small portion of the sum for which the contract has been let. Now, that has been the practice, the then Minister of Public Works explained, for many, many years in all matters of this kind. I could name obligations which have been placed upon the incoming administration in connection with contracts of a very onerous character. In fact the first duty that I endeavoured to discharge when I assumed office was to ascertain what the contractual obligations of this country were, and I asked to have prepared for me by the departments a statement showing what contracts had been executed by the outgoing administration up to the seventh day of August, what appropriations had been made by parliament to defray those obligations, and the balance for which no appropriations had been made. I may say that it amounts to many millions of dollars. That, I am advised, by the departmental officials, is a common practice. That is, an obligation is assumed because parliament has made the first vote toward defraying the cost of undertakings and successive parliaments

[Mr. Bennett.]

must meet the obligations thus created. But parliament then has no option but to meet those obligations or pay for not doing so. There is the other class of appropriation where a given sum per annum is granted, such as that provided for the Ottawa Improvement Commission, which is a charge upon the consolidated revenue fund, and that annual charge and the interest are voted as a matter of course. Now this \$20,000,000 is not a supply bill; it is an appropriation bill which is in a sense technically a supply bill for \$20,000,000 and if contractual obligations have arisen which will not be discharged until after the 31st day of March, they are chargeable against this vote. But obviously it would be impossible for anyone to say that after the 31st day of March no payments would be made out of this fund, assuming the fund was not depleted, because obligations might and probably would have been created by the provinces through the authorization given by the federal authority to the provinces to go forward with certain undertakings that would involve payments not being made at one time, but over a period of time. If any of those payments are not made after the 31st day of March, they will be charged against this appropriation. That, I think, is abundantly clear, and unless it were so I do not see how government might well be carried on. But we do know this: that the maximum obligations that may be incurred under this bill will aggregate not more than \$20,000,000. That is all I can with certainty say, and I make these explanations in order that it may not be thought for a single moment that there has been any departure from well established parliamentary practice in this regard, the whole point being that no obligations can be met under the authority of this measure that exceed the sum total of the appropriation, and that it will may be that after the 31st day of March accounts will have to be met representing the balance of contractual obligations incurred under the authority of this measure.

Mr. MACKENZIE KING: I want to be quite clear as to what my hon. friend means by his last sentence. Does he now mean that all contracts, in order to be paid for in whole or in part out of this money, must have been made between now and the beginning of the next fiscal year, and that the only moneys to be paid under those contracts will be such moneys as will be due on the 31st of March, next year, not moneys which become due after that date—moneys due for services rendered up to that date—and if after the