

HOUSE OF COMMONS

Friday, March 25, 1949

The house met at eleven o'clock.

PRIVILEGE

REFERENCE TO REMARKS IN DEBATE ON
MARCH 24

Hon. Brooke Claxton (Minister of National Defence): Mr. Speaker, I rise on a question of privilege. Yesterday the leader of the opposition (Mr. Drew), as reported on page 1947 of *Hansard*, quoted a press report of November 22 last stating that I had referred to the—

—creation of a defence commitments authority, an entirely new and unprecedented government agency whose function is to enable the military authorities to enter without delay into future contracts for material and equipment which otherwise would have to wait for parliamentary approval next midwinter. Already contracts in excess of \$29 million have been placed by this agency.

I think the leader of the opposition expressed some surprise that I should have said that. Of course I said nothing of the kind. There is no new agency. Authority to expend funds is given by parliament, and only by parliament. What happened was this. A representative of British United Press telephoned me and began by asking what was the amount of the defence appropriations for the current year. I told him that there was a cash appropriation and an additional commitment authority. I remember getting the estimate book and referring him expressly to item 243 on page 32. In order to explain to him the difference between cash appropriation and commitment authority, I read the following passage:

—to authorize total commitments for this purpose of \$255,514,584, including authority, notwithstanding section 29 of the Consolidated Revenue and Audit Act, to make commitments for the current year of \$227,082,515, and commitments for future years of \$28,432,069, against which commitments it is estimated that actual expenditures in 1948-49 will not exceed \$207,082,515.

That was the authority conferred by parliament, and the only authority conferred by parliament. When the report to which the leader of the opposition referred appeared, I at once telephoned the representative of the B.U.P. who had spoken to me, and pointed out the mistake. He had confused "commitment authority" conferred by parliament with some new authority or agency to make future commitments. That was the

reason for the error in the report. When I pointed this out to him he said that of course I was right, that he remembered what I had said and that he would send out a correction. Whether the correction was sent out or printed, I do not know.

Mr. George A. Drew (Leader of the Opposition): Mr. Speaker, I would point out to the Minister of National Defence that when I was quoting that report there was no question of my expressing surprise. I asked the minister if that was a correct statement, and he indicated that it was not. I would not have expressed surprise, because I would not have been surprised at any statement made by the Minister of National Defence.

WHEAT

PRICE \$2 PER BUSHEL BOTH DOMESTIC AND UNDER
CANADA-UNITED KINGDOM AGREEMENT

Right Hon. C. D. Howe (Minister of Trade and Commerce): Mr. Speaker, I should like to make a statement about the domestic price of western wheat. The Canadian wheat board is now under instructions to sell wheat for domestic use on the same basis as wheat is sold under the Canada-United Kingdom wheat agreement, namely, \$2 per bushel basis No. 1 northern in store Fort William-Port Arthur or Vancouver, plus a carrying charge of five cents per bushel.

As already announced, it is the policy of the government that returns to the producer in respect of domestic sales of western wheat shall be the same as under the British contract. This means that during the remainder of the present crop year and throughout the next crop year, western farmers, through the wheat board, are assured of a price of \$2 per bushel basis No. 1 northern in store Fort William-Port Arthur or Vancouver, plus carrying charges, in respect of both domestic sales and sales under the British contract.

I am making this statement now so that there may be no misunderstanding about the effects of any subsequent decline in world wheat prices or domestic wheat prices below the British contract price.

Mr. Wright: Will this \$2 price also apply to wheat being sold in Canada next year for feed purposes?

Mr. Howe: Yes, Mr. Speaker; that price will apply to all wheat sold for domestic purposes.