

*Financial Administration*

**Mr. Sinclair:** There is the same judgment exercised by the directors of a private company as by the directors of a proprietary corporation as to the use they can make of the powers given to them. Both of them are anxious to make the greatest possible success of their operation.

**Mr. Adamson:** This applies to Central Mortgage and Housing as well? They have the right, without calling public tenders, to undertake a housing project? They could do that under this section?

**Mr. Sinclair:** But obviously Central Mortgage and Housing are under scrutiny by parliament, and they are going to conduct their affairs in the very best and most businesslike way.

**Mr. Adamson:** I am not contesting that argument at all. I am just saying that this machinery allows them to undertake, without calling public tenders, the work that they require to have done.

**Mr. Sinclair:** They have the same powers as would any other private corporation incorporated under the dominion Companies Act.

**Mr. Macdonnell (Greenwood):** I do not propose to take any more of the time of the committee on this, but I do not wish my silence to indicate I am convinced.

Section agreed to.

Sections 84 to 88 inclusive agreed to.

On section 89—*Notice to persons failing to pay over public money.*

**Mr. Macdonnell (Greenwood):** I just wish to make one comment here which might be of interest to the committee. When this bill was before the public accounts committee I asked a question as to whether government officials were bonded or whether the risk was carried inside the four corners of the government operation. We were told it was carried within the government operation. The reason I have risen to my feet is that we were given figures showing the small amount lost in all the years, and they were astonishing. If the parliamentary assistant has those figures, will he give them to the committee?

**Mr. Sinclair:** I am gratified by the hon. member's suggestion, because it is an indication of the high calibre of our civil servants. There is one section, section 98, which spells it out specifically. When we reach that section I shall put on the record the losses over the last few years.

Section agreed to.

Sections 90 to 94 inclusive agreed to.

On section 95—*Debts due to crown.*

**Mr. Wright:** I do not want to repeat the argument which I made on section 36 and which the parliamentary assistant to the minister stated should be made under section 95. He indicated that he would answer me on section 95.

**Mr. Sinclair:** As far as seed grain debts are concerned, I find that they are covered by a separate statute, an act respecting certain debts due to the crown, assented to in April, 1927. That is the statute under which the adjustments to which the hon. member referred have been made. This statute still is the governing statute as far as these particular types of debts are concerned. There is therefore no change in the practice.

**Mr. Wright:** There is a change in the practice. I understand that under that statute the assets of the applicant are taken into consideration in determining the amount that he should pay on his debt. He will now have an added asset, under the Old Age Security Act, as a result of the payment of so much each month. If I understand the act correctly, that will be included in his assets and will be taken into consideration.

**Mr. Sinclair:** It is scarcely an asset in the ordinary way of describing an asset. It is a future income. Even if the same recipient had come due a private annuity which brought him \$40 a month for a period of time, that would not be regarded as an asset but would be regarded as current income. If that type of thing was in the past regarded as coming within the scope of this debt adjustment act, then probably the old age pension payments are too. I can find out definitely for the hon. member and give him a written statement on it.

**Mr. Wright:** Does the parliamentary assistant to the minister not consider that these payments made under the Family Allowances Act, the Old Age Assistance Act, the Old Age Security Act and under the Pension Act where they are paid on compassionate grounds or to dependents of veterans, are in a special class and that they should not be attached under this section of the act for debts owed to the crown?

**Mr. Sinclair:** As to debts owed to the crown, it is quite easy to say that there should be no attachments. But there is another person who should be considered and that is the taxpayer, the man who has put up the money for all government payments. If an overpayment of crown money has been made to an individual, then I think most of the taxpayers of this country would think that