

spend on the Gulf War? You know very well that money has never been appropriated. Now you are asking for the money.

Senator Murray: It will cover the deficit you ran up with the Scientific Tax Credit.

Senator Olson: I hope that we do not have to listen to this. I get sick when I hear senators opposite make these types of statements. I plead with you to stop trying to deceive people with things that are so obviously not true. You say you have a fund over there and you will pay it out of that fund because you had not spent the money. You say you found another \$400 million dollars of new money. You had that money before. It was in the projected assets and income of the government even though you intend to ask those companies to pay half of it. Why are you trying to kid people that that is new money?

• (1450)

I thank you for listening, and I hope you will persuade your colleagues to be a little more honest.

Hon. John B. Stewart: I have just a word or two on this motion. I call the attention of honourable senators to what we are really doing with about one-third of the total amount that will be supplied to the government by this bill.

Let us go back. When the main appropriation bill was enacted, Parliament provided the government under Treasury Board Vote 5 with what is called a Contingencies Fund. When the Treasury Board officials are at the National Finance Committee, I like to refer to that vote as "loose money." That annoys them. It is money the government can use for any line in the Estimates. It can be moved around.

Senator Doody: Mostly salaries.

Senator Stewart: Senator Doody says it is mostly salaries. I think if Senator Doody looks into what is happening, the vote is being used increasingly for other purposes. Senator Doody is quite correct if one reads the description of the vote.

We have a dog with a tail. The dog is unpredictable salary increases. We do not know what the collective bargaining will result in, so we have to provide a certain amount of leeway to the government. Then it says something like, "and for other purposes." There is the tail. Of course, what is happening is that the tail has swelled and swelled and swelled, and it is now rather bigger than the dog.

If I recall correctly, the Contingencies Vote in the current financial year was \$350 million. Since then, the government has drawn down the Contingencies Vote. If you look at Supplementary Estimates B, again and again you will find a note which indicates that the money which we are now being asked to appropriate has already been spent.

Senator Olson: A couple of times over.

Senator Stewart: For example, on page 46, under Indian Affairs and Northern Development, we have an asterisk which takes us down to the bottom of the page. "Funds in the amount of \$55,886,360 were advanced from the Treasury Board Contingencies Vote to provide temporary funding in this Program." We find the same on page 44 under Fisheries

and Oceans. That was a grant for special assistance to self-employed fishermen prevented from fishing due to abnormal ice conditions. I could go through page after page and give examples of what goes on. One-quarter of the money that is being appropriated today has already been expended.

What is now happening is that money is being provided to these departments and agencies specifically. It is being appropriated in the old sense of the word appropriated: Made specific or proper to those departments and agencies. They in turn will reimburse the Contingencies Fund of the Treasury Board. They will refund the money.

The end result is that when this bill becomes law, Treasury Board Vote 5 will be in about as good a condition of liquidity as it was on the day that the main appropriation bill was passed. In other words, what we are doing today is putting the government back in the same position it was on the day the main appropriation bill was passed insofar as contingencies expenditures are concerned.

Senator Frith: And before it had any contingencies.

Senator Stewart: As of the day this bill gets Royal Assent, we are providing them with \$350 million of loose money to spend between now and the end of the fiscal year. I am not complaining about the specific expenditures that have been made, nor am I anticipating complaining about specific expenditures that will be made between now and the end of the fiscal year. However, I think we ought to understand what is going on here. What we are really doing insofar as one-quarter of the total money that is being voted this afternoon—that is to say, some \$336.4 million—is voting that as more loose money for the government to make up for the amount by which they have already run down their loose money account.

Senator Frith: Allegedly for contingencies. The contingency happens, they spend the money, and we give it back to them after the contingency.

Senator Stewart: The point is that today, in the middle of December, the government will have as much loose money voted by Parliament as it had six months ago. It will have the same amount of loose money now, with only three months before the end of the fiscal year, as it had previously with nine months.

As I say, I am not complaining about specific expenditures, but I think members of Parliament in both houses ought to understand what happens here. It is not unique. This was not brought in. This is not an innovation of the present government. However, we all ought to know what really is happening here, because I think the contingency vote is a vote that ought to be watched, particularly now that the undefined purposes—the tail, as I called it earlier—grow larger and larger and larger.

I bring that to your attention, as I say, not because I am objecting to any of the specific expenditures, but because I think we ought to understand the process to which we are giving approval.

Senator Barootes: Honourable senators, I wish to clarify the statement that my friend Senator Olson read into the record.