

*Department of Transport*

Mr. HOWE: I think the difficulty is that these are now carried as an asset at book value. This bill was worked out over quite a period with the comptroller of the treasury, who was anxious to have the accounts consolidated. Perhaps at the next session we may come back and write it down, if that proves to be necessary. I think the first thing is to permit the consolidation of the account.

Mr. BENNETT: It will be an incorrect account, but nothing new from last year.

Section agreed to.

Sections 3 to 7 inclusive agreed to.

On section 8—Stores accounting limited to actual purchase cost and transportation charges.

Mr. BENNETT: We are rushing this rather fast. The advance of a million dollars as provided by section 5 requires some explanation. We have had many conflicts in this house as to the advance of \$700,000 to the Department of Public Printing and Stationery. It was a larger sum; we reduced it to that amount and have kept it there. I say to the minister in the light of experience that there is nothing more inviting to permanent officials than the possibility of having an advance of great proportions. The ease and facility with which they begin to buy supplies is known to everyone who has had to do with the department. If the minister can keep that item below \$1,000,000 I think he should do so.

Mr. HOWE: To-day the stocks are one and a half million. It will be my aim to see that at the end of the year there are no surplus stocks. Whether that is possible I do not know, but it was put at a million as a figure that will probably be necessary for a turnover of \$3,000,000 of supplies.

Mr. BENNETT: The difficulty is that section 6 says it "shall not" exceed. That is a peremptory statement to put in a statute, that the minister's inventory must be reduced to what it was at the beginning of this year.

Mr. HOWE: I think it is far too large.

Mr. BENNETT: But if in the course of business you do not find it possible to reduce it, you are confronted with a statute which says you shall do it.

Mr. HOWE: We are going to insist that no new purchases shall be made as long as we have anything in our total inventory suitable for the purpose. This consolidation will allow us to ship goods from our present stores to any part of the country where they are required.

[Mr. Bennett.]

Mr. DUNNING: I am hoping that the minister will get it to even lower figures. I think he should be able to do so, having regard to the diverse nature of the present stores.

Mr. BENNETT: Quite so, but it works both ways. The fact that they have to be scattered over the whole of Canada makes the aggregate necessarily quite large.

Mr. DUNNING: Five stores in the same town.

Sir GEORGE PERLEY: I should like to ask a question regarding clause 4. I see the Minister of Finance is to advance the amounts required by the Minister of Transport from time to time. I presume that applies to this year only. After that I take it the amounts will be in the estimates granted to the department.

Mr. DUNNING: It is the same principle as the king's printer's advance.

Mr. HOWE: The \$1,000,000 is a revolving fund. It is intended to purchase all supplies for stores, and then, as they go out they will be charged to the appropriation and the money will be applied from the appropriation to restore the \$1,000,000 fund.

Mr. BENNETT: But it will have to be by appropriation.

Sir GEORGE PERLEY: Section 4 provides:

The Minister of Finance may from time to time authorize the advance to the Minister of Transport out of the Consolidated Revenue Fund of Canada of such sums of money as the Minister of Transport may require. . . .

I take it that means for this year only, and for subsequent years the amounts will be in the estimates.

Mr. DUNNING: No.

Sir GEORGE PERLEY: Why not?

Mr. DUNNING: Not for this purpose, any more than for the king's printer's advance. The amounts represented by what is taken out of the king's printer's advance are voted for the various services which in turn purchase from the king's printer. The amounts are voted, but not in the form of an advance. The advance is set up by statute, as in this case, and the amounts needed for the various stores will be in the individual appropriations asked for by the minister from year to year, but they will be supplied out of this revolving fund.

Sir GEORGE PERLEY: There will have to be subsequent amounts every year. We now vote them, I understand, for the different branches of the Department of Transport.