

Finance—Special Warrants

In determining the immediate cash needs in accordance with the provisions of section 28 of the Financial Administration Act the government had to consider the maintenance of employment and the necessity of meeting promptly, as they fell due, the bills incurred by the government. We succeeded in reducing the amounts of the estimates which had been drawn up and tabled by the previous government, by efforts in the various departments of government, by the sum of \$73.6 million. Under the Financial Administration Act provision is made for the appropriation of money to meet the cash needs of government but no provision is made there for dealing with those items in the estimates which we commonly call the legislative items, the so-called one dollar items, nor with those items which have as their purpose the authorization of the crediting of accounts in the consolidated revenue fund. It will be the intention of the government at a suitable time in the session to present to the house a measure in respect of the accounts for the year 1957-58 to deal specifically with these items, and on that occasion there will be afforded to the house, it is proposed, the fullest opportunity in committee of supply to discuss, to obtain information and to pass any judgments that may be required on the sums appropriated and expenditures made under the provisions of the governor general's warrants.

With reference to the fiscal year which commenced on April 1 and in respect of which provision has been made by the second and third warrants, I should again like to stress that in the warrants we have appropriated only those sums directly and urgently required to meet the expenses of government. There has, of course, been no attempt made to deal with the items that are legislative in their character or which involve transfer items.

Had the house been meeting, let us say, on April 1 the government would have asked the house under the circumstances to vote two months' interim supply based upon the estimates. I wish to point out that the amounts which have been appropriated pursuant to the two warrants I have mentioned are not as large with respect to these items, subject to one or two exceptions which I will mention, as would have been involved had we been asking at the beginning of this fiscal year for a vote of two months' interim supply. The exceptions are those cases in which construction was involved. Because the season has been favourable to progress in the construction programs of the government, it has been necessary to proceed somewhat in advance of the pro rata basis measured in terms of months. That is not

unusual; that has been the practice followed in past years, and in the bill which will be presented to the house tomorrow those items will be singled out and any explanations required will be fully given in regard to them.

I therefore stress to the house that the steps which the house will be asked to take tomorrow will include the sums appropriated for this period from April 1 to the middle of this month and the provision will contemplate the vote of two months' interim supply in the ordinary way, less the sums already appropriated and expended in pursuance of these two warrants.

I can assure the house that every effort has been made to limit just as far as possible within the usual proportions the sums thus appropriated by the warrants. Where these have been exceeded in the exceptional cases to which I have referred, the items are in one or other of four categories. The first is the works program which I have mentioned and related urgent problems—for example, the gift of wheat to India which is all to be taken up in the present crop year; the second is the work attributable to the fact that we have had the advantage of an open winter; the third is the action we have taken to pay the accounts promptly. We have made no attempt to delay payment of accounts so as to carry them over into the later period; we thought it proper that these accounts be paid as they fell due. The fourth factor is the lower turnover and better recruiting up to personnel establishment of the various departments of government.

I stress that all the items in these warrants have been provided in the main estimates which I have today tabled, with one exception. That exception concerns the interim financing of Trans-Canada Air Lines. This interim financing has become necessary by reason of faster deliveries of aircraft purchased and these were altogether desirable.

The funds that are provided by the warrant for loan are intended to meet the needs of Trans-Canada Air Lines up to June 30 next. The usual Canadian National Railways financing and guarantee bill to be introduced this session will cover the loan provided by warrant for Trans-Canada Air Lines. This is not an item which appears in the book of estimates.

I stress again that the items do not include any grants except those that could be considered obligations, and do not include any legislative or accounting items.

As hon. members will recall from the terms of the speech from the throne read yesterday by His Excellency, it is the intention

[Mr. Fleming (Eglinton).]