

Department of Transport Stores

would have to include both inventory on hand and cash advances made available. If it is clear that when the minister has on hand \$3 million in inventory he can get only another million and a half by way of cash advance—

Mr. Chevrier: That is clearly understood in the amendment I intend to propose.

Mr. Knowles: Very well; if that is clear, even with the qualification the hon. member for Vancouver-Quadra now makes, I feel more satisfied. The hon. member for Vancouver-Quadra points out that if inventory were reduced from \$3 million to \$2 million, then the minister could get \$2,500,000 cash. But, in connection with the whole matter, can any stores in the inventory we are talking about actually be used without a charge being made against a vote provided in the estimates?

Mr. Chevrier: No.

Mr. Knowles: It seems to me that is what we were trying to get a month ago.

Mr. Chevrier: That is right.

Mr. Knowles: It is clear, then, that if there are estimates in the votes for \$8 million worth of stores for the year 1950-51 it is not possible for more than \$8 million worth of stores to be used?

Mr. Chevrier: That is right.

Mr. Knowles: During 1950-51?

Mr. Chevrier: That is right.

Mr. Knowles: In other words the inventory is really something that still belongs to the Department of Finance.

Mr. Chevrier: That is right; I thought I indicated that earlier in my statement.

Mr. Knowles: I think the minister indicated it today, but he did not indicate it that way on May 5. I am trying to get it sorted out, and in doing so I hope I am not being unhelpful.

Mr. Chevrier: Not at all.

Mr. Knowles: If that is clear, then it seems to me there is more justification for doing things this way than there seemed to be on May 5. But I want to be absolutely clear that not a gallon of paint or anything else can be taken from inventory provided under this measure, and used, without its being charged against a vote by parliament in that current year.

Mr. Chevrier: No question about it at all. However, if a purchase is made, it must be made under the appropriations set out in the various items for the department.

Whether it be called a direct purchase, outside of stores, or whether it be called an issue from stores, it has to come from the various votes for canals, air services and the like. But, because of the time lag which is unavoidable in respect of some of these purchases, advances are made to the minister with which to buy them out of this \$1,500,000 revolving fund, and they are repaid to the Minister of Finance under the appropriation.

Mr. Knowles: The minister has referred to the revolving fund being \$1,500,000 because at the present time the inventory is \$3 million?

Mr. Chevrier: Yes.

Mr. Knowles: That might change without any change in the act being necessary.

Mr. Chevrier: Yes.

Mr. Knowles: The minister has referred to purchases of stores either from stores inventory or direct from merchandising people. Can he indicate any break-down so far as the practice of his department is concerned? During the last year for which information is available how much by way of stores has been brought down from stores inventory, and how much has been bought direct from wholesalers or retailers?

Mr. Chevrier: There were purchases direct, outside of stores inventory, to the value of \$4,600,000 in the last year. There were issued from stores \$8 million during the last year.

Mr. Fulton: That is \$12,600,000 altogether?

Mr. Chevrier: Yes.

Mr. Knowles: Just a moment; what was the total amount provided in the estimates for last year? Is that the year the minister is talking about?

Mr. Chevrier: Yes.

Mr. Knowles: What was the total amount provided in the estimates of last year for the purchase of stores, roughly?

Mr. Chevrier: Approximately \$12 million.

Mr. Knowles: That amount was provided by votes passed by parliament.

Mr. Chevrier: Yes.

Mr. Knowles: And the total amount of stores actually used last year was what?

Mr. Chevrier: It was \$8 million, the amount I gave a moment ago as being commodities issued out of stores. That is the amount as compared with the \$4,600,000 for direct purchases.

Mr. Knowles: But the commodities issued out of stores were also used, were they not?