

Parliament for that extra \$2 million; it is automatically made available, because a statutory authority exists for that expenditure up to a maximum of \$250 million, and in the Public Accounts that \$17 million would be recorded as a budgetary expenditure.

Senator ISNOR: My question was, does it show as an expenditure or as capital?

Dr. DAVIDSON: As an expenditure.

Senator DESCHATELETS: In the last case you mentioned, supposing \$50 million is required for 1967-68 for rural economic development, and in fact \$53 million instead of \$50 million was expended, would you use the \$250 million?

Dr. DAVIDSON: No, because when Parliament says the funds for a given program can be paid out of the Consolidated Revenue Fund—whenever the words appear in legislation that the expenditures required can be paid out of the Consolidated Revenue Fund—Parliament is saying to us, whether it knows it or not, “You don’t ever need to come back to us for authority to dip into the Consolidated Revenue Fund for whatever expenditures are required under this program.”

Senator HAIG: Up to the limit of the amount?

Dr. DAVIDSON: Up to the limit of the amount, if the amount is stated, Senator Haig. In other cases, such as family allowances, there is no global amount stated in the legislation as a ceiling. All it says is, \$6 for a child under ten and \$8 for a child over 10, and we could go on endlessly as long as there are children. This simply means we do not have to go back to Parliament. We have in the Estimates for next year—and perhaps I should not be speaking of them now—an item relating to the fund for rural economic development. It is marked statutory, with an “S” in brackets. It has no vote number. It says that we need \$11 million next year, as our best guess. When this comes before the Committee on Supply in the other house, the chairman of that committee will not need to call that item. He will call the items that have numbers because those have to be appropriated by Parliament. The statutory item does not have to be appropriated by Parliament, it has already been authorized as an automatic charge on the Consolidated Revenue Fund. This \$11 million may be \$50 million too little. I hope it will not be, but theoretically it could be. If it is \$50 million too little we don’t have to come back to Parliament for that extra money, and the first time you senators will hear about it is when it turns up in Public Accounts as a recorded expenditure of considerably more than we thought it would be in the printed Estimates.

Senator BAIRD: A sort of ad lib?

Dr. DAVIDSON: No ad lib, if I may say so, Senator Baird. The authority was given to us by Parliament in the law itself. The statutory authority for next year, the gross amounts authorized by statute, amounts to \$4,122,000,000, or over 40 per cent of the total budgetary expenditure of the Government.

Senator HAIG: When you come up to the limit of your statutory amount, say, \$250 million, you have to come back?

Dr. DAVIDSON: That is correct. That is why Parliament was asked this year to increase the statutory limit that was written into the Atlantic Development Fund legislation.

Senator SMITH (*Queens-Shelburne*): In putting that item of an estimated amount that would be spent under a program of that nature you have been talking about, is the main purpose to give an estimate of the total cash required by the Government for that year? What happens to that item if some motion in Parliament was made to reduce that item to \$1? Has Parliament still the right to reduce it to \$1?