

this additional sum of \$402,000 is required to make up a deficit caused by the devaluation of the Canadian dollar to 90 cents.

Vote No. 583, which amounts to \$2,500,000, is occasioned by the fact that the government has had to make an additional contribution because more persons than were anticipated have come under the provisions of the Unemployment Insurance Act. The expenditure has nothing directly to do with payment of benefits: but as more people were employed during the relevant period than had been anticipated, the government's contribution, which as honourable senators know bears a direct proportion to payments by employers and employees, is larger than was expected.

The sum of \$700,000 asked for in item No. 584 is required because unemployment in Newfoundland has been more extensive than was anticipated.

The sum of \$1,500,000 set out in Vote No. 585 is necessitated by a recent amendment of the Unemployment Insurance Act which authorizes additional payments in the winter months. Honourable senators will recall that one of the first measures we dealt with this session was a bill to enlarge the scope of the Unemployment Insurance and, as I recall it, that bill received the Royal Assent just at the end of last month. My information is that this vote represents the additional amount required for that purpose.

Item 592, \$4 million, is to provide for the purchase of British Admiralty property in Newfoundland. The government of Canada undertook, upon completion of negotiations, to pay \$7 million for this property. Of this sum \$3 million has already been authorized, and this vote is to cover the remaining amount.

**Hon. Mr. Horner:** May I ask if this expenditure of \$7 million has anything to do with American assets in Newfoundland?

**Hon. Mr. Robertson:** I do not believe so. It is to cover the purchase of British naval property in Newfoundland, which was consequential upon Newfoundland joining confederation.

Item 601, Dominion Forestry Service, \$250,000: I am advised that this vote is necessary in pursuance of an arrangement under the Canadian Forestry Act, which was passed for the purpose of assisting the various provincial governments in forestry projects. This vote of \$250,000 has been expedited to meet a severe unemployment condition in New Brunswick.

**Hon. Mr. Haig:** Would the honourable leader explain Vote No. 609, for the sum of \$1? I have read the item over two or three times, but have been unable to understand it.

If my honourable friend cannot explain the item, he may let it go. We shall put up the \$1 anyway.

**Hon. Mr. Robertson:** I must confess that I should have thought that the western members would have demanded more than the \$1 to take care of these requirements; but perhaps they anticipated the keen interest in economy which the Senate is displaying and desired not to spend any more than was absolutely necessary.

**Some Hon. Senators:** Oh, oh.

**Hon. Mr. Robertson:** I fancy, however, that this item has to do with the authorization of a joint expenditure with provincial or municipal administrations. I think perhaps some honourable senator from British Columbia would be better informed about this than I am.

**Hon. Mr. Haig:** Vote No. 604 is for the same amount. It puzzles me.

**Hon. Mr. Robertson:** It must be a token expenditure to cover an undetermined sum for work that has been authorized. I submit both of these votes to the scrutiny of the committees to which the respective estimates have been referred.

Vote No. 612 is for \$3,884,182. In 1948 the Canadian Wheat Board bought a heavy flax crop at a guaranteed price, and because of the disappearance of the market the crop could not be sold that year. The board was selling it in 1949 but the price had dropped. The amount of this vote is to cover the loss incurred as a result of the drop in price, and additional carrying charges for this year.

Vote No. 613 is to reimburse the Canadian Wheat Board for the deficit incurred from its operations on the 1948 crop rapeseed account for the period ended July 31, 1949, pursuant to the regulations passed under the Appropriation Act No. 4. The amount is \$399,608. I take it that this item is in the same category as Vote No. 612, but applying to rapeseed instead of to flax.

Vote No. 619, for \$435,295, is a further amount required for payments under a dredging contract for Montreal harbour. As to why the amount of the original estimate has been exceeded, I must say I have no particular information.

Vote No. 622, for \$190,771, is a further amount required to pay freight rates assistance under the Maritime Freight Rates Act. I presume it is never possible to estimate exactly the amount that will be necessary under that Act, which, as honourable senators know, is a statutory undertaking to pay a certain proportion of the freight rates in the Maritime region.