

4. Payments to be made to Development Authorities in any Province from the funds in the account of such Province and from the funds in the 'General Account' only upon recommendation of the Dominion Development Commission.

5. In order that a Provincial Government or Local Development Authority may be entitled to receive a payment from the funds in a Provincial Account of the Dominion Development Fund, it will be necessary:—

(a) That the *Service* (that is the Development Undertaking proposed by a Development Authority) and the *Budget*, for the fiscal year for which the payment is intended, shall have been approved by a Provincial Development Commission or other Authority constituted by the Provincial Government for that purpose; and that a copy of the said *Budget* and a copy of a certificate of approval, by the Provincial Authority, of the proposed *Service* shall have been received by the Dominion Development Commission.

(b) That such a certificate shall have been issued by a Provincial Development Commission or other Authority recognized by the Provincial Government as competent to make an Efficiency Audit, to the effect that the said Development Authority is administering the *Service* adequately and efficiently and in accordance with the authoritative regulations; and that a copy of said Certificate of the Efficiency Audit shall have been received by the Dominion Development Commission.

6. In any case where a Development Authority has not maintained and carried out the *Service* (that is the Development Undertaking provided for in the *Budget*) adequately and with reasonable efficiency, the Certificate of the Efficiency Audit shall state the extent to which the undertaking was not maintained and carried out in an efficient and satisfactory manner; and the Certificate shall also state whether the Development Authority is taking any steps to remedy any such deficiencies as exist.

7. If the Dominion Development Commission is not satisfied that the Development Authority is maintaining and carrying out the *Service* adequately and with reasonable efficiency, it may at its discretion deduct such amount as it thinks fit from the amount of the Grant from the Dominion Development Fund that would otherwise be payable, and give a certificate declaring its dissatisfaction and the amount of such deduction, and in that case only the amount of the Grant so reduced shall be payable to the Development Authority in question.

8. Before a payment can be made for a Development *Service* in the second or any subsequent year of its progress, a duly audited statement in detail of the receipts from all sources for the maintenance of the said *Service* and of the actual expenditure upon said *Service* for the preceding fiscal year shall have been received by the Dominion Development Commission.

9. The treasury may accept gifts into the Dominion Development Fund for all or any of the purposes for which payments may be made from the accounts of the Provinces or the General Account.