

ernment officials, and upon the acquiescence of this house in the budget requirements of the railway depends the willingness of the house to enact the legislation contemplated by this resolution. Therefore it is not essential that the resolution or the bill founded upon it should be before the committee while they are studying the details of the budget requirements of the railway, because the bill is to give effect to the conclusions of the committee as to the amount of money that must be provided by this country to enable the railway company to meet its requirements. I think the minister will realize that the budget requirements of the railway are considered in detail by the committee, and when that has been done the bill founded upon it will be the logical sequence of such action on the part of the standing committee when its report has in turn been considered by the house. Let us assume the committee recommends that a capital expenditure of ten million dollars should be reduced to seven millions, or that some special expenditure which the budget contemplates should not be provided for this present year; in that event the budget requirements and the measure to be founded upon them would be correspondingly modified. That in my judgment is the sequence of events so far as we are concerned.

It does become important that the policy of the government should become known before this final action is taken, and I cannot see that the ministry would in any sense be prejudiced by this resolution standing until such time as the special committee has had the opportunity to consider the budget requirements of the railway as prepared and submitted to the government by the railway officials. I think the hon. gentleman's desire to expedite his measure will not in any sense be interfered with if he delays it until such time as the special committee has considered and reported upon the budget requirements of the railway.

Mr. DUNNING: Mr. Chairman, I thought as a former member of the standing committee that I was following the procedure which has usually been adopted, that it was customary for the budget of the railway to be considered by the committee concurrently with the legislation necessary to give effect to it. However, I do not desire to take up the time of the house to press the point. No interest will suffer in the immediate future by delaying the introduction of the bill founded on this resolution, and rather than have a long discussion about it I think I had better move that the committee rise, report progress, and ask leave to sit again.

Mr. STEVENS: Before the motion is put will the minister permit me to ask one question? It may be a reflection on myself but I do not quite recall the exact procedure in the past. My impression is that in the past we have dealt only with deficits in the year following the year in which the deficit was incurred. But it would appear by this resolution that this year the ministry is anticipating a deficit for 1936 and proposes now to make provision for it. Am I correct in that?

Mr. DUNNING: The hon. gentleman is correct. He will remember as a former member of the standing committee that the budget of the railways as presented to that committee always contained provision for an estimated deficit. That deficit was dealt with by the house not in the current session but in the succeeding session when the actual deficit became known. Inasmuch as a deficit will actually arise during the current calendar year the government deems it desirable to make provision for it now in the estimates, and to establish the practice of dealing with the estimated provision for it in advance. Then next year what comes before the house with respect to the calendar year 1936 will have to do with the extent to which the officers of the railways were in error in presenting their estimated deficit figure for this year. My own recollection of the procedure in the past is that the Canadian National Railway budget came before the house in rather a peculiar manner. The provision made in the estimates was for the deficit of a previous year, whereas the budget under consideration by the committee on railways and shipping was the estimated deficit of the current year plus provision for capital requirements and refunding such as is contemplated in the measure now under discussion. I really thought I was providing for the committee having before it the complete Canadian National budget when, on the one hand, we had yesterday provision in the supplementary estimates for the estimated deficit and to-day we are introducing a measure providing for the balance of the Canadian National Railway budget, being the amount required on capital account for new construction and other works and for refunding. To my mind the complete budget of the Canadian National Railways is not officially before the committee on railways and shipping until this measure, plus the provision in the estimates for the deficit, is before it.