

May I point out that its purpose is to provide recoverable advances for working capital purposes. There are several enterprises that would be without sufficient working capital if we do not provide these recoverable advances. I suppose we could go to the chartered banks and make arrangements, but certainly we cannot operate without working capital.

Mr. GRAYDON: But you could come back to the house and get it.

Mr. HOWE: Working capital is something that we need right away.

Mr. GRAYDON: If that is so, these estimates have been wrongly compiled. Here are two ministers who say that they expect to use all this money now. Surely this is a twelve-months year, and surely the minister has some idea of what he requires. If he is asking for only one-third of this particular item, how does he know that that will be enough? There is no guarantee in connection with it that I can see. If he wants to come back in two or three months' time and submits that he has used the money, parliament will grant him more, but I do not think we should give him a blank cheque.

Mr. COLDWELL: I take it that this is a case of using money in a revolving fund, and if that is so the minister has put an entirely different complexion upon the item. If what the Minister of Reconstruction says is correct and I believe it is, I think the Minister of Finance is making a mistake in asking for only one-third. I think we should deal with these two particular items on an entirely different basis from the ordinary estimates, and, instead of authorizing only a relatively small proportion, vote the whole ten million dollars.

Mr. ILSLEY: The other item, No. 505, also provides for recoverable advances, but it is not limited to that. It provides also for miscellaneous and unforeseen expenses. We think it reasonable to ask for a little more latitude on these two items because we are moving from one system to another and we do not want these arguments too often. I do not think the house wants to see us back within two months asking for interim supply. I doubt if this will last for two months. We would have asked for more of these recoverable advances if we had dared, but we are asking for only one-third, which will give us more latitude than one-sixth. No precedent is being set here. Let me make myself clear. Very often parliament is asked to grant one-twelfth or one-sixth, and sometimes a greater proportion is asked because of the seasonal character of the demands under certain items.

Money may have to be spent early in the summer for some purpose, and so you pick out two or three items and in that way get quite a proportion of your expenditure by way of interim supply. But here we are asking for one-sixth of everything except of these two items, where we want more leeway.

Mr. COLDWELL: The second item, No. 611, is of an entirely different nature from the other item.

Mr. HOWE: It is not an expenditure because the money is to be returned.

Mr. COLDWELL: No, it is not an expenditure.

Mr. STIRLING: Would one of the ministers explain the recoverable advances a little further? Am I to understand that the money so recovered passes into consolidated revenue and consequently is tied up and cannot be used for further expenditures? Is that the difficulty?

Mr. HOWE: The difficulty is that we require working capital. We have several businesses operated by crown companies—Polymer Corporation, for instance—which require working capital, temporary funds perhaps for inventory and purposes of the kind. This working capital is being advanced in the form of recoverable advances.

Previously the advances were made from the war appropriation. We have advanced at different times between two and three hundred million dollars, which has all been recovered except for a comparatively small sum. These items are not expenditures. They are simply accountable advances. Without them it would be necessary to operate through the banks.

Mr. FRASER: The Minister of Finance said that it was not setting a precedent to ask for special items to go through, but I do not think that we have done it in the last five or six years.

Mr. ILSLEY: Oh, yes.

Mr. FRASER: When?

Mr. ILSLEY: We will send out and get the books. We have done it within the last two or three years; we have done it nearly every year.

Mr. FRASER: I do not remember any such item going through last year.

Mr. ILSLEY: Oh, yes.

Mr. GRAYDON: I agree with the Minister of Finance on one point, that perhaps there is no necessity of having a lengthy debate over this matter, and I simply want to state