

ings, what we want this money for. Then, at the end of it all, we say we already have money in this vote that is unspent because of an unexpected situation which developed in respect of another program that was to be financed from this same vote. Therefore, we are simply informing you and asking you for the authority to spend for these other purposes the money you have already given us for a different purpose.

Senator FLYNN: It could not be from one vote to another, though.

Dr. DAVIDSON: No, it could not be from one vote to another.

Senator FLYNN: Well, you have not got a true picture, then. If you knew that you had not spent very huge sums which were voted for other purposes, I think it would give a better picture of the supplementary Estimates, would it not, if you showed them.

Dr. DAVIDSON: Could I have that question again, Senator Flynn?

Senator FLYNN: You say that you credit only the amount voted under the same vote number. I was suggesting that in your department, if in other votes there were lapses like that, you could give an indication of the amounts that were not likely to be spent by a given department and, as a result, we would have a better picture of what the supplementary Estimates mean.

Dr. DAVIDSON: Yes, but we do not get complete information as to lapses until the very end of the fiscal year. I would question whether the Estimates presentation is the place where this should be provided, unless we are seeking additional authority in respect of a particular vote.

The CHAIRMAN: In other words, the expenses are bound to be less than the estimates.

Senator FLYNN: It would be a consolation to know.

The CHAIRMAN: Well, we have to pick that up somewhere else. Perhaps Dr. Davidson can give us some guesses as to what the over-all expenditures might be, regardless of the estimates.

Dr. DAVIDSON: I am not free to give you, Senator Leonard, anything more than the last public figure which the Minister of Finance gave at the time of the mini-budget.

The CHAIRMAN: Which was last December?

Dr. DAVIDSON: As I recall, the figure was \$8,580,000,000. I think I can say that it will not be less than that. That is pretty close.

The CHAIRMAN: Have you anything further than that? Is there anything further on the Stabilization Board, which is the largest item there?

Senator HAIG: Dr. Davidson, on page 5 of the Supplementary Estimates (G), the estimated amount required to provide for the operating loss of the Farm Credit Corporation for the fiscal year ending March 31, 1967, is \$2,600,000. In the future estimates that will be shown in the original Blue Book.

Dr. DAVIDSON: This arises entirely from the change in the interest rates. The Farm Credit Corporation legislation requires that the Farm Credit Corporation lend money to farmers at a fixed rate which is less than the borrowing rate at which the federal Government itself can borrow money. During this last year the federal Government has had to borrow money at higher interest rates than they thought they were going to have to pay. They lend to the Farm Credit Corporation at the rate that they themselves can borrow plus one-eighth, I think. Therefore, the higher the federal borrowing rate goes, the larger the gap between the rate at which the corporation can borrow and the fixed rate by which the corporation is required to lend money to the farmers. That is the loss.

Senator HAIG: This is the difference.

Dr. DAVIDSON: That is the loss, yes.