Supply-Public Works

landlord wants to rent premises at the rentals that were paid years ago. We have taken on new buildings that will be rented within a few weeks, and other space will be needed by the departments. This was the amount that was miscalculated—I will not say it was a mistake—because in January last we thought we could get through with an amount \$200,000 less.

Item agreed to.

Acquisition, construction and improvements of public buildings—

616. Ottawa, \$2,160,000.

Mr. Charlton: Surely we are not going to be asked to vote an item of \$2,160,000 without some explanation as to where the money is going to be spent.

Mr. Fournier (Hull): This is in connection with the statistics building being erected at Tunney's Pasture. The contract was awarded in 1950 for \$5,889,000 and to my surprise there will not be a revote because this is one time when they have proceeded much faster than I had thought they would. We did not think they would be able to spend more than \$1,800,000, and they have actually nearly completed the building. The contractors, Anglin-Norcross Company, have caught me short and I had to apply to finance to get this \$2 million. I am trying to reimburse them tonight by having this vote passed.

Mr. McLure: Were tenders called for that building?

Mr. Fournier (Hull): I think there was only one tenderer although it was advertised all over the country.

Item agreed to.

Engineering branch—Graving docks—

617. Prince Rupert dry dock and shipyard and appurtenant works—to provide for operating losses and essential repairs in the fiscal years 1950-51 and 1951-52, in accordance with the terms of order in council, P.C. 95/6770 of December 15, 1951, \$117,000.

Mr. Applewhaite: This gives me an opportunity to join the Minister of Finance and the Minister of Public Works in the joy I am sure they would like to express that the deficit is reduced by \$40,000 this year as against what we were required to vote last year. I should just like to take time to mention to the Minister of Defence Production that if he would keep the government-owned shipbuilding plant in mind and if the Minister of Transport would also keep it in mind when the Canadian National ships are being overhauled I think even this deficit would be wiped out.

Item agreed to.

DEPARTMENT OF RESOURCES AND DEVELOPMENT

Engineering and water resources branch— Trans-Canada highway division—

621. Notwithstanding the Trans-Canada Highway Act, to authorize and provide for a payment to the province of Newfoundland, which has entered into an agreement with Canada for construction of a part of the trans-Canada highway, in respect of construction of the highway carried out between December 10, 1949, and the day on which this province signed the agreement with Canada, in accordance with the regulations of the governor in council; the amount paid, however, not to exceed fifty per centum of the cost to the province of the said construction as determined by the governor in council; the maximum amount authorized to be expended by section 7 of the Trans-Canada Highway Act to be decreased to the extent of any amount paid pursuant to this vote, \$28,000.

Mr. Macdonnell (Greenwood): What authority is there for this? Is this another bit of legislation by vote?

Mr. Abbott: The Trans-Canada Highway Act makes statutory provision for payments in connection with the trans-Canada highway—I did not notice that my colleague, the Minister of Resources and Development was here—and this is a payment to Newfoundland for interim construction on the trans-Canada highway in that province.

Mr. Macdonnell (Greenwood): I understand the agreements were entered into a couple of years ago. Would they cover construction of the highway carried on between December 10, 1949, and the date on which this province signed an agreement with Canada? Could that be covered under the Trans-Canada Highway Act?

Mr. Winters: It can. The Trans-Canada Highway Act provided for payments, but under the agreement signed between Newfoundland and Canada we can only pay in connection with work undertaken after the date of the signing of the agreement. This is an amount required to bridge the gap between the date of the passing of the act and the date of the signing of the agreement with Newfoundland.

Mr. Black (Cumberland): Has the department entered into a contract with Nova Scotia for construction on the trans-Canada highway? I might tell him that there is a report current, and from authoritative quarters, that the reason for so much delay in entering into this contract is that the department has been most unfair in the terms of the agreement with Nova Scotia. It is entirely due to this condition that they have not proceeded with construction as they have in most other provinces. I understand that the route of the trans-Canada highway has been recommended by Nova Scotia and approved by the