

Senator MACKENZIE: There are no tolls on the Welland Canal now?

Dr. DAVIDSON: Not now, but I think the Minister of Transport announced earlier this week they were introducing a system of lockage fees.

Senator MACKENZIE: They hope to get some money. It has been a free waterway.

Dr. DAVIDSON: Of the total amount, \$10,150,000 is to reimburse the St. Lawrence Seaway Authority for the Welland Canal deficit, which is part of the arrangement under which the St. Lawrence Seaway Authority operates as agent for the Government the canal systems that are not revenue producing. The cost of that is paid out of the Consolidated Revenue Fund.

Senator BROOKS: There would not be many others like that, would there?

Dr. DAVIDSON: Are there other canals—or other items?

Senator BROOKS: Are there other items where you would have to wait until you get the actual cost?

Dr. DAVIDSON: There are a good many. The committee will be interested to know that this is the last time the St. Lawrence Seaway will appear in this form. We have been criticized when I appeared earlier before the committee—at least, the practice has been criticized—for failing to provide in the main Estimates for items which it is known in advance will have to be incurred.

In deference to the views expressed by this committee, we have included in the main Estimates for next year about \$350 million worth of expenditure items which have traditionally been carried in the later supplementary Estimates.

This St. Lawrence Seaway Authority item is one of them—the Welland Canal deficit. Senator Brooks, you will find, for example, in the main Estimates, 1967-68, on page 508, an item which is precisely a counterpart of this, for next year. It is shown as \$9.9 million, as against \$10.1 million in these year end supplementaries. This item will henceforth appear in the main Estimates.

Senator HAIG: Then, Mr. Davidson, at the end of the year you might have to bring in a supplementary. This is \$10 million this year. You have estimated for \$9 million. You might have to bring in a supplementary estimate?

Dr. DAVIDSON: This is the reason these have been carried in the past, in the year end, because there is uncertainty about the amounts. What we are trying to do is to put in the best estimate of what we think the requirement will be, ask Parliament to authorize it; and, if we find we have misjudged the amount by \$150,000 or so, we will have to come back with a minor year end supplementary estimate.

Senator DESCHATELETS: You will start this year, then, with a more reasonably arranged working budget.

Dr. DAVIDSON: Yes sir. We are advising Parliament, at the beginning of the year, more fully of what the true known requirements of the Government will be, for the year as a whole.

If you could turn back, you will see a much more striking example of this on page 3 of the Final Supplementary Estimates. You will see two items there, the very first ones in these printed Estimates. One of the items is for \$89.9 million, to recoup the Agricultural Commodities Stabilization account,—to cover the net operating loss of the Agricultural Stabilization Board as at March 31, 1967. The second is in regard to \$5 million for the Agricultural Products Board.

For years, we have waited until the end of the year to see what the deficits of these two agricultural boards would be, before we provided money in the year and estimates to reimburse them for the moneys they had, throughout the year, been paying out of advance accounts.

Senator THORVALDSON: Are these deficits unusually high?