

Mr. MACDONNELL: Yes.

Mr. GORDON: The Budget includes that figure to complete projects previously authorized and which now have to be re-voted in respect to that portion of them which is not complete. There is a distinction between the authorization and the authority to the Minister of Finance, the authority, rather, in the Financing and Guarantee Act for the Canadian National Railways to finance it. What we are discussing here is the Financing and Guarantee Act, which will enable the Canadian National Railways, if it is decided that way, to go to the market and raise money or to go to the Minister of Finance and say to him, "Would you rather lend us the money than have us go to the market at this time?" There are two ways open to us: we have to have authority to borrow—and this is really the authority to borrow—either by way of bonds or advances by the Minister of Finance.

Hon. Mr. CHEVRIER: This year's Act, as I understand it, will carry the same re-votes as last year's Act, which carried re-votes for the previous year of \$93,647,760. It was re-voted in the Canadian National Railways' Financing and Guarantee Act of 1952.

Mr. FULTON: Then the re-votes Mr. Gordon was discussing, that Mr. Gordon gave us an answer about yesterday in answer to my question last night, would be a different type of re-vote. I asked you if you—supposing in your capital item for new equipment here, the capital budget item for new equipment gave you authority to spend \$10 million, but you spend only \$8 million—I asked you if it would be necessary to re-vote \$2 million and you said yes. That would be a different expenditure than the type we are discussing on page 2?

Mr. GORDON: If you look at sheet 2 of the budget, I have an item shown there of \$35,561,634, re-votes under the general heading of capital expenditures.

Mr. MACDONNELL: Perhaps this will help me. Is that figure taken up by the Financing and Guarantee Act which comes along later?

Mr. GORDON: That is it. Then the next figure, this is capital re-votes. The last figure down there is really the re-vote figure for equipment. You see that is authorized pursuant to the Financing and Guarantee Act of 1952, \$36 million. That is the re-vote for equipment which had been previously authorized. We have been authorized to commit ourselves for that, and now we have to finance it this year and that is included in the financial authorization we are now asking.

Mr. MACDONNELL: Then you are not going on the statement that the law officers of the Crown have ruled it does not expire, you are acting on the understanding that it does expire and requires a re-vote?

Mr. GORDON: That is my understanding.

The CHAIRMAN: I think perhaps before you leave that there is a little confusion. Authorization of the commitment does not expire. There is a difference between the authorization of the commitment and the authorization for the spending of the money.

Mr. GORDON: That is the point, Mr. Chairman.

Mr. MACDONNELL: I just want to come back to these figures of the Act of a year ago, because the figure \$202 million—I am just examining that to see whether the commitments are separate. They are commitments as you say?

Mr. GORDON: This upper portion here is to show the figures on which we need authority to spend money this year. Then underneath, the commitments that we are asking for this year are shown in notes Nos. 2 and 3 at the bottom of the page, maybe for next year or the year after.

Mr. MACDONNELL: That is right, there is a paragraph in this section which does authorize commitment. Perhaps I had better show you that. Can you follow through this figure of \$202 million? Those are not commitments, those