

Grants in the Appropriation Acts are grants to the Crown and funds cannot be disbursed until supply, voted by Parliament to the Crown, is released by a warrant prepared on an Order of the Governor in Council and signed by the Governor General.

As weeks or months may elapse after the commencement of the fiscal year before the main Appropriation Act is passed, funds are made available for the conduct of government functions by the passage of an interim supply Bill granting one twelfth or one sixth of the total of each item in the estimates, equivalent to one or two months' supply, respectively. Additional interim supply Bills may be introduced if required, awaiting Parliament's detailed consideration of the estimates. In addition, to cover any new and unforeseen requirements that might arise during the year, supplementary estimates are usually introduced after some months of the fiscal year have elapsed, and just prior to the end of the fiscal year further supplementary estimates are laid before the House. These supplementary estimates are dealt with in the same manner as the Main Estimates.

In addition to the expenditure items included in the annual Appropriation Acts, there are a number of items, such as interest on the public debt, family allowances and old age assistance payments, which have been authorized under the provisions of other statutes. Although it is not necessary for Parliament to pass annually on these items, they are included in the Main Estimates for purposes of information. Statutory provision is also made for the expenditure of public money in emergencies where no specific parliamentary appropriation is available. Under the Financial Administration Act, the Governor in Council, upon the report of the Minister of Finance that there is no appropriation for the expenditure and upon the report of the appropriate Minister that the expenditure is urgently required, may order the issuance of a special warrant authorizing disbursement of the amount required. Such warrants may be issued only when Parliament is not in session and every warrant is published in the *Canada Gazette* within thirty days of issue. The Fire Losses Replacement Account Act also provides for emergency expenditures for the urgent repair or replacement of property destroyed or damaged by fire, where there is not sufficient money available in the appropriation for the Service suffering loss. Such amounts must be charged subsequently to an appropriation or included in the estimates for the department or agency concerned.

In addition, disbursements are made for purposes not reflected in the budgetary accounts but recorded in the Government's statement of assets and liabilities, such as loans to and investments in Crown corporations, loans to international organizations and to national, provincial and municipal governments, and loans to veterans. There are also disbursements in connection with deposit and trust and insurance, pension and guaranty accounts which the Government holds or administers, including the old age security fund which is operated as a separate entity. Although these disbursements are excluded from the calculation of the annual budgetary surplus or deficit, they are all subject to appropriation by Parliament either in the annual Appropriation Acts or in other legislation.

**The Budget.**—Some time after the Main Estimates have been introduced, the Minister of Finance presents his annual Budget Speech in the House of Commons. Budget papers, tabled for the information of Parliament on the previous day, include a general review of economic conditions and a preliminary review of the Government's accounts for the fiscal year then ending. The Budget Speech itself reviews the state of the national economy and the financial operations of the Government for the previous fiscal year and gives a forecast of the probable financial requirements for the year ahead, taking into account the Main Estimates and making allowances for supplementary and further supplementary estimates and probable lapsings. At the close of his address, the Minister tables the formal resolutions for changes in the existing tax rates and customs tariff which, in accordance with parliamentary procedure, must precede the introduction of any money Bills. These resolutions give notice of the amendments which the Government intends to ask Parliament to make in the taxation statutes. However, if a change is proposed in a