

*7. Acting Prime Minister to Prime Minister*

TELEGRAM P. 39

Ottawa, December 5, 1918

From White. See Long's telegram of November twenty eight to Governor General to which following is reply prepared by officials of Finance Department and which is being forwarded through usual channel. Begins. War expenditure of Canada to thirtieth November one billion and sixty eight million. To thirty first March next estimated one billion two hundred ninety millions. In this statement maintenance of troops in France is calculated at six shillings per man not at suggested increased rate of nine shillings four pence. To this estimate should be added amount of war outlay which will be incurred after thirty first March nineteen nineteen which may exceed three hundred million dollars. Pension expenditure is estimated at thirty millions per year and probably more. Net debt of Canada to thirty first March nineteen fourteen three hundred thirty six millions. Net debt to thirty first March next estimated at one billion and half.

This reply covers points raised in your telegram November eighteen except item number four, information concerning which will be forwarded with least possible delay.

*8. Acting Prime Minister to Prime Minister*

TELEGRAM P. 49

CONFIDENTIAL

Ottawa, December 7, 1918

In addition to direct claim in respect of our war expenditure you will not lose sight of claims for indirect damage covering interruption to trade and dislocation of our business generally. We should, I think, also claim punitive indemnity in respect of our casualties. Damages for the Halifax disaster amounting to say thirty million dollars would appear to me to be a fair claim also.

WHITE

*9. Prime Minister to Acting Prime Minister*

TELEGRAM B. 47

London, December 9, 1918

Your P. 39. Suggest that if possible you specify first, the amount included in total for maintenance of troops in France upon this any additional percentage can be computed. Second, the character and probable amount of expenditure after 31st March instead of giving an upward limit only. Third, the length of time during which pension expenditure will probably continue at rate indicated or its probable total.

BORDEN