

APPENDIX No 1

By the Chairman:

Q. There is a note to No. 17, "Demobilization Appropriation 1919-20 was intended to provide for such credits of this nature as might be deemed advisable." The estimates, however, for gratuities now approximate \$153,000,000.—A. Yes.

Q. The total of the amounts given here is \$529,122,445.—A. That total is the total of what is in these estimates of a capital nature, plus \$20,000,000 for Soldiers' Land Settlement.

Q. You add some further figures. Take item 16?—A. In addition to this, there are some outlays which evidently will have to be provided for. I have here No. 16, Grand Trunk Pacific Receivership, interest and deficit in operation \$15,000,000. That is an estimate of course.

Q. Do you think it is a reasonable estimate?—A. I think it is very reasonable.

Q. And you think that amount will be required?—A. I certainly do.

Q. Take item 17?—A. Provision for credits to Great Britain and Allied Countries \$125,000,000.

Q. You put that in for the reason you have stated, that the demobilization appropriation of \$350,000,000 is not sufficient to provide for those?—A. Cannot cover that.

Q. Take No. 18, Halifax Relief, \$5,000,000?—A. We have to pay \$5,000,000 this year.

Q. Do you expect to expend that?—A. I certainly do.

Q. Housing, loans to provinces, \$25,000,000. I think that explains itself. That makes a total of how much?—A. \$699,122,445.

Q. And that represents a total of what?—A. It represents the nature of the expenditures to which the Government is committed.

Q. For what year?—A. 1919-20. It is not expected that all these expenditures will be made during the present fiscal year. That is what we are committed to. It does not necessarily mean we will spend it all.

By Mr. Pardee:

Q. Will that have to be borrowed?—A. Yes, outside of our revenue.

Q. Outside of your revenue entirely?—A. Whatever proportion of that is actually spent will have to be borrowed outside of our revenue altogether.

By Mr. McLean:

Q. The present loan of \$300,000,000 cannot be appropriated to that?—A. That is what the present loan is for, as far as it will go.

Q. Sir Thomas stated to us that the \$300,000,000 loan now being negotiated was nearly all owed to the banks?—A. Practically. There are \$240,000,000 due to the banks, and \$35,000,000 that we have already received in advance. \$275,000,000 of the loan which is being floated now is practically in my hands.

Q. You have got the money from the banks?—A. Yes and from individuals.

Q. It will take the whole of that \$300,000,000 loan to pay off the banks?—A. Practically, yes; that is for expenditures which have been going on since 1st April last.

By the Chairman:

Q. In the next paragraph, last sentence, you say, "As for actual expenditures to be incurred under these items for the year 1919-20, it may be taken for granted that these will approximate \$600,000,000?"—A. Yes, as I said before, it is not probable that every dollar of this will be expended. Running their eyes down here, the Committee will be able to form a fairly good idea of the classes which will practically all be expended.

By Mr. Copp:

Q. According to that, \$99,000,000 will not be expended?—A. Yes.

[Mr. T. C. Boville.]