

10 GEORGE V, A. 1919

Q You have another item, No. 13, Canadian Northern Railway, construction, betterment, maturities, interest and other charges. Would you read the item in the estimates for that?—A. "Loan not exceeding \$35,000,000, repayable on demand, with interest payable half yearly, at the rate of six per cent per annum, to be used to meet expenditures or indebtedness incurred in paying interest on securities in excess of amount available from net earnings, or paying maturing loans of the Canadian Northern Railway Company or any Company included in the Canadian Northern Railway system and for construction and betterment; said loan to be secured by mortgage upon the undertaking of the Canadian Northern Railway System, containing such terms and conditions as the Governor in Council may approve."

Q. Soldiers' Land Settlement, \$45,000,000. You have a foot note to that, I see, to this effect: "No. 14, \$20,000,000 will be required in addition to vote in estimates for \$25,000,000." There was a vote in the estimates for \$25,000,000 for Land Settlement?—A. Yes.

Q. And you intimate that an additional \$25,000,000 will be required for that purpose?—A. Yes, that is correct. That is what I understand. The Department is getting fairly well to the end of their available resources and if they carry on their work they will require additional money.

Q. Explain item 15?—A. Demobilization appropriation for activities; demobilization, transport of troops, promotion of trade and other expenditures in consequence of war, including gratuities, \$350,000,000. That is what is expected will be the amount of demobilization appropriation intended to cover the remainder of the war outlay which may be payable in the current year. That is outlays consequent upon the war. The nature of these outlays are indicated in the wording I have given of No. 15, not only demobilization, transport of troops—

Q. What is meant by promotion of trade?—A. Well under the vote we can use the funds for advances to Allied countries, I think, in connection with the promotion of our trade and the carrying on of our industries, but the vote will hardly stand that.

By Mr. Pardee:

Q. About what amount in your approximate estimate do you put down under the heading of promotion of trade out of that sum?—A. We will have that later. It is not in this. I have later on an item for advances to Allied countries. This \$350,000,000, in view of the state of our war outlay, will not stand any advances being made out of it for Allied countries.

By Mr. Nesbitt:

Q. Why do you put it in that item?—A. That is the wording of the Statute.

By the Chairman:

Q. The Demobilization Appropriation Act has that in it, so that I think it will have to go in. You say "including gratuities." That is, the gratuities that have been paid this year must all come out of that vote?—A. Yes.

By Mr. Morphy:

Q. Does the statement 15 show that that is the wording of the Act?

The CHAIRMAN: No, it does not say that. I think the Act will speak for itself.

Mr. MORPHY: It does not refer to the Act.

The CHAIRMAN: You can say "Demobilization Appropriation Act."

The WITNESS: Demobilization Appropriation Act; leave out the rest if you like.

Mr. PARDEE: I do not think you should strike out the rest of it.

The CHAIRMAN: No.

[Mr. T. C. Boville.]