

Mr. FRASER: There is no change at all in it?

Mr. MCGREGOR: No.

Mr. FRASER: Then you would have a proper check when they overhaul the engine knowing what condition it was in?

Mr. MCGREGOR: That is correct.

The CHAIRMAN: Shall the item carry?

Mr. DREW: Before that, Mr. Chairman—Mr. McGregor, what do you estimate the total actual cost of this new exhaust equipment to be?

Mr. MCGREGOR: \$290,000.

Mr. DREW: That is not the total cost.

Mr. MCGREGOR: Yes.

Mr. DREW: But your contract calls for the supplier of the power plants to bear a substantial share of that?

Mr. MCGREGOR: That is the total cost to T.C.A. that I am talking about.

Mr. DREW: What is the total estimated cost of that equipment?

Mr. MCGREGOR: I have no idea, Mr. Drew, and it would be of interest to T.C.A. provided T.C.A. elected to use the exhaust system developed by Canadair.

Mr. DREW: No, no, you will find under the provisions of the contract that the supplier of the power plant is to bear half the cost of all expenditures made for the purpose of overcoming the difficulty in connection with the noise.

Mr. MCGREGOR: If you read that clause, Mr. Drew, I think you will find it is the other way around.

Mr. DREW: I will send for it.

The CHAIRMAN: Subject to the question just asked, shall the item carry? Carried.

Mr. Drew, shall we carry on?

Mr. DREW: Yes, yes.

The CHAIRMAN: Aircraft component equipment.

Mr. FRASER: On this, Mr. McGregor, do you use the facilities of the Department of Transport? Do you use any of their stores at all, or any of their equipment? The reason I ask is because there is a bill before the House now dealing with Transport Department stores, increasing the allowable amount I think from \$500,000 to \$1 million, and I imagine that would cover some of their airfields. I was just wondering if you would come in on the use of any of their equipment?

Mr. MCGREGOR: I cannot think of an instance.

Mr. FRASER: Well, what does this item aircraft component equipment cover?

Mr. MCGREGOR: That is mostly spare capitalized materials and in this instance includes the spare parts over and above the specific numerical requirement of the aircraft for these Marshall blowers that I spoke of.

Mr. DREW: Mr. McGregor, the question that arises from these figures is indicated by the 1949 estimate and actual expenditures. In 1949 you estimated an expenditure of \$232,210.22 for component equipment and there was an actual expenditure of \$110,585.56, which leaves approximately \$122,000 unspent of your estimate for 1949, and in view of the fact that you are only estimating an expenditure of \$24,487.96 for 1950. I am interested in what the difference is between the unspent part last year and the part you anticipate spending this year.