

Q. Does that mean that there were some costs that were put in, that were present when Mr. Sellar audited the books, that have since disappeared, bringing this price down \$8,000 apiece?—A. It was largely a question of allocation. There was nothing definite at the time. Mr. Sellar had the files available to him, but the actual figure is \$348,793 for Canadian mounts and \$246,363 for the American mounts.

*By Mr. Monteith:*

Q. \$363,000?—A. \$348,793 versus \$246,363.

*By Mr. Harkness:*

Q. In view of the fact that we have been working on somewhat different figures, what I would like to have is the total amount paid to Sorel for these guns and also the amount of that paid by the United States and the amount paid by Canada.—A. \$348,793 multiplied by 46 and \$246,363 multiplied by 180. There may still be changes as the audit continues.

Q. And of that amount 7 per cent was profit?—A. No. Not all of the items are profit bearing. One of the items which members of the committee have been referring to—the \$35,000, there is no 7 per cent on this item.

Q. What I asked for was the amount paid to Sorel, exclusive of this \$3,772,000.—A. \$283,129 per mount included profit. The comparable American figure is \$249,498.

Q. What is the total amount of profit? Have you got a figure for that?—A. Approximately \$16,295 per mount on the U.S. contract, and \$18,259 per mount on the Canadian contract.

*By Mr. Monteith:*

Q. That is excluding this \$3,772,000?—A. Yes.

*By Mr. Harkness:*

Q. \$16,295, and \$18,259?—A. Yes.

Q. Was the profit?—A. That is accounted for by the fact that the Canadian mounts required substantially more spares than the American ones, since the American ones have very large depot spares from other contracts which they have.

*By the Chairman:*

Q. Mr. Golden, I see you have some figures there. Have you copies of those that could be distributed to the committee?—A. Yes.

Q. I think it would be a good idea to distribute them if you have them available. These are figures showing the unit prices of the U.S. gun and of the Canadian gun.—A. Perhaps that would clear up some of the points.

*By Mr. Hamilton (Notre-Dame-de-Grâce):*

Q. While those are being distributed, Mr. Chairman, could Mr. Golden tell us what is the United States practice when they act as a buying agent, you might call them, for Canadian munitions and supplies, when a case such as this arises? Do you know of a similar instance in the United States?—A. To the best of my knowledge the American practice varies with the individual case.

Q. But have certain Canadian purchases of munitions and supplies made in the United States through the United States government included the operation of the tooling up and refurbishing of the plant necessary for that particular item?—A. I am advised that the best answer we could give is that we know of many cases where we have not paid this type of charge, where we have made purchases in the United States.