

March, 1944 and so long as the winding up continues until March 31, 1945, the costs incidental to winding up will be included in Plan expenditures and shared by U.K. After March 31, 1945, however, should the terms of the present Agreement be carried out, it would be necessary to account for such costs apart from the costs of such R.C.A.F. activities as are continued. The major circumstances which will make it almost impossible to determine winding up costs separately may be summarized briefly as follows:

- (a) Present demobilization plans provide that personnel shall be sent to a demobilization centre nearest their homes. Thus repatriates from U.K. and personnel from the W.H.O. will become inextricably mixed with B.C.A.T.P. personnel.
- (b) B.C.A.T.P. staff personnel in groups too small to permit of separate accounting action being taken will be engaged part time on demobilization or winding up administration involving personnel from Overseas and the W.H.O.
- (c) While the winding up process continues, the R.C.A.F. post war organization may start to function and there may be a mixture of the two processes on the same station.
- (d) If we assume that demobilization is a problem for Canada and not for the B.C.A.T.P., then to the extent that demobilization is retarded for political or economic considerations, costs arising therefrom should not be a responsibility of a partner in the Plan. It is true that the amendment to the Agreement of June 5, 1942 provides that the Plan will assume costs up to the time personnel reach the demobilization centre but if demobilization is retarded, then inevitably personnel will be retained at units and technically still may be regarded as a B.C.A.T.P. responsibility.
- (e) The return of a large number of aircrew personnel from Overseas may require that opportunities be granted them for flying practice in cases where it is proposed to retain them in the R.C.A.F. post war organization. The problem of valuing such flying cost and deleting it from the normal cost of a B.C.A.T.P. unit is somewhat of a problem to say the least.

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