

Q. It is generally done, if it is done at all, by the industries in order to attract labour in, or to help hold them there, or something else along that line. In other words it is purely in lieu of their wages, I presume.—A. Yes. If they are working on defence contracts they charge these fringe benefits, and such costs, to the Canadian government.

Q. I cannot see any justification for it.

*By Mr. McGregor:*

Q. What rent do they pay for these houses?—A. I do not have the answer.

Mr. HARKNESS: Did this gentlemen say they pay for their meals and they do not pay any rent at all? That is what I heard.

Mr. E. C. PERKINS: No. They are in fact paying "board and room" for their accommodation. They pay for their meals under a community type living. They have rooms. These are barrack type accommodations similar to the army accommodations, and they pay the normal amount.

Mr. MCGREGOR: It is just really a boarding house, is it?

Mr. PERKINS: More or less; I gather it is a barrack type accommodation.

Mr. MCGREGOR: What do they pay?

Mr. PERKINS: I am afraid I cannot answer that.

Mr. MCGREGOR: You seem to know all about it.

Mr. PERKINS: It is the normal amount for that area, and for that type of accommodation, I gather.

Mr. MCGREGOR: What is it?

Mr. PERKINS: I am sorry, I do not know.

Mr. MCGREGOR: I think, Mr. Chairman, that we should have that.

Mr. APPLEWHAITE: Yes, so do I, Mr. Chairman. I do not think the record looks well as it is at the moment. I have operated some of this type of housing for private enterprise when they were on government contracts. I do not know the facts here, but I think we should have them, because the witness used the term "rent". In most of those which I have operated, by the time we got what we collected from the men there was enough to pay the bull cooks, the heat and the light and the rental, and the employer took a loss at that.

The CHAIRMAN: There is no reason why we cannot—

Mr. APPLEWHAITE: I think we should find out whether it is a charge at cost, or whether it is rental, in which case there is a profit on the investment.

The CHAIRMAN: We will certainly get that information, Mr. Applewhaite.

*By Mr. Monteith:*

Q. Mr. Chairman, if you are off that for a moment, I would just like to go to the sheet we have been given. I notice the basic price paid for U.S. and Canadian guns is \$163,240. Now, the loaders, that is understandable from the explanation.

But, come to the duty rebate—\$4,554 from the U.S. The explanation says, "Rebate on duty paid on parts and materials originally imported from United States and incorporated in guns shipped to United States." Now, that duty must have been originally incorporated in the \$116,000. Am I right? It is now a credit taken off?—A. Yes.

Q. So it must have been incorporated there. How does the cost come to an exact cost? The normal basic price of \$163,240— —A. We imported the same items from our guns.