

life of the Corporation may be from 15 to 20 years. It would appear that financial settlement between Canada and U.K. should be finalized as quickly as possible after termination of training activities and this is obviously impossible if the terms of the Agreement are to be carried out without amendment. It is of course, impossible to estimate at this time what may be realized from the disposal of such assets although, having in mind the uses to which such assets can be put in peace time, it would seem that we could realize only a relatively small proportion of the amounts expended thereon, particularly having in mind that some of the equipment purchased will have already become wasted, worn out, obsolete and therefore disposed of as scrap. For the purpose of giving consideration to this point, the following figures of expenditures to date are submitted:

Aircraft and engines, including spare parts:	\$ 403,000,000.00
Aerodrome cost, including building constructions:	224,000,000.00
Mechanical Transport:	17,600,000.00
Wireless equipment:	11,800,000.00
Photographic equipment:	1,959,000.00
Miscellaneous equipment:	49,200,000.00
Total	<u>\$ 707,559,000.00</u>

The aircraft, engines and spare parts, mechanical transport (if any) and wireless equipment brought by the R.A.F. Schools to Canada on their formation, as well as that equipment received directly from the United Kingdom prior to July 1st, 1942, under their 1939 agreement of contribution to the British Commonwealth Air Training Plan are not included in the above figures, since it is impossible to determine the extent or the value thereof, but such of these assets as are still in existence will be subject to disposal in the same manner as all other Plan assets.

4. The general problem of disposal of assets may be complicated by political and economic consideration in regard to which it may not be desirable to be required to consider their financial implications as they might apply to a partner in the B.C.A.T.P. Disposal of scrap will undoubtedly be affected by

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