

Q. Why is it necessary in the case of Great Britain to provide a credit of that kind? Why cannot Great Britain—A. Pay cash?

Q. Pay cash?—A. No, any one who reads the statement of Britain's expenditure for the last five years or who knows their present condition will understand very easily why she cannot pay cash; why she has to borrow and is borrowing to-day in New York paying the rate of interest which is stated to be around six per cent per year.

Q. And in your judgment Canada will have to continue to give credit to Great Britain in order to sell our products to Great Britain, is not that the fact?—A. I think so, that is my judgment.

Q. And you include here an item of \$50,000,000 for that purpose to Great Britain and to all Allied countries?—A. Yes. Which I think is a small estimate.

By Mr. Copp:

Q. What is the total of these four items you have estimated here?—A. \$210,000,000.

By the Chairman:

Q. Taking the estimate for this year and the estimate for next year, moneys that have to be raised outside the ordinary expenses of the Government which are chargeable to current revenue, you estimate the total to be what?—A. I think we could see up to the end of 1920-21 a requirement of anywhere from \$650,000,000 to \$800,000,000.

Q. Taking your totals as you have given them what do they amount to, your actual figures?—A. \$699,122,445 and \$210,000,000 for 1920-21.

Q. That makes a total of what?—A. Over \$900,000,000.

Q. And from these figures you make the deduction that it will be necessary to raise by borrowing in some way or other including the present Victory Loan, sums aggregating from \$650,000,000 to \$800,000,000?—A. That is my deduction.

By Mr. Copp:

Q. How can you cut it down as low as \$600,000,000? There is practically \$700,000,000 of this year's commitments and you estimate for next year \$200,000,000 making over \$900,000,000?—A. You must remember that the full amount of this estimate I have given may not be required.

By Mr. Nesbitt:

Q. Not in this fiscal year but it may in the next fiscal year?—A. It may in the next fiscal year.

By the Chairman:

Q. For Soldiers' Land Settlement you have \$50,000,000 estimated and if it were absolutely necessary to do so the whole thing could be cut out if the Government and Parliament decide to do so?—A. Quite so; there are two factors in this calculation which are to be considered in determining; the one is actual expenditures and on the other hand there is the action of Parliament within the next year.

Q. Take the next item; you have \$60,000,000 for "Public Buildings, Canals, Harbours, and Railway expenditures". If it were absolutely necessary Parliament could shut down and cut out all the expenditure?—A. Quite possible.

Q. It depends upon the action of Parliament on the estimate for the next year?—A. Yes.

By Mr. McLean:

Q. The expenditure for the Soldiers' Settlement may not have been actually made but we are committed to the principle?—A. Oh no, the expenditure has not all been made yet.

[Mr. T. C. Boville.]