

The CHAIRMAN: There was direct labour, \$3,752.55; direct material, \$1,325.25; overhead, \$1,842.73; equipment allowance, \$55 and management fee \$225. The total was \$8,200.54.

By Mr. Burton:

Q. Would Mr. Murchison please explain those items which go into the overhead?—A. I think there was a statement filed that described those items.

The CHAIRMAN: He wants to know what the overhead is.

Mr. BEAUDRY: There was a statement filed which included supervising, houses on the project for housing these guardians or inspectors and so on.

The WITNESS: If I could read from the terms of the contract itself—

The CHAIRMAN: I doubt if we should go into that again.

By Mr. Burton:

Q. I just wanted to have the committee remember that the \$225 does not represent all the contractor was in a position to get from the contract on the houses?—A. No, I filed this statement document No. 9; a summary of indirect labour, material and expenses. It included such items as, indirect labour, indirect materials and expenses and payroll charges. That statement was filed with the committee.

The CHAIRMAN: Even though this is filed, a very few people have a chance to see it. It lies in the secretary's room and therefore people ask you questions concerning it.

Mr. BURTON: Would you read the details.

The WITNESS: Superintendence, including supervision from Windsor, \$3,079.36.

Mr. FLEMING: Perhaps I can assist Mr. Beaudry. We had all that. We had an average figure.

Mr. BEAUDRY: We had it I know, and I did not request this.

Mr. BURTON: The reason I brought this up was because of a statement Mr. Murchison made when he answered a question of Mr. Beaudry's to the effect that the sum of \$2,100 was in excess of the contractor's profits on the construction of the houses. Mr. Chairman, I contend by pointing to that one item alone it shows there was more received by the contractor in profit than just \$225.

The CHAIRMAN: Yes, but his overhead may not be profit. We should like to get a break down to show what it is.

Mr. BURTON: If the committee wishes to go into the details, all right. For my part, I am not concerned with it except that if Mr. Beaudry insists on having Mr. Murchison's answer to him stand, then I want to go into it.

Mr. CLEAVER: I do not think you will find a dollar of profit to the contractor in overhead.

Mr. BURTON: I would not be prepared to argue the details unless we are prepared to go into them thoroughly. I would ask Mr. Murchison this question. You have an item for labour in the contract?

The WITNESS: Yes.

The CHAIRMAN: Labour is \$3,752.55.

By Mr. Burton:

Q. In connection with that item, does not the contract entered into by the department with Ryan Home Builders Company give the company an opportunity of having a certain percentage of the labour cost?—A. No.