

Q. Your statement is up to the end of March 1924?—A. Yes, but you cannot get out any printed report immediately after the close of the fiscal year. As a matter of fact, our accounts are only wound up on the 30th April. The accounts are just being wound up now for the end of the fiscal year.

Q. I think there should have been a note here because the members of the Committee are doing a lot of work on this report, and it is not of very much use to us in view of the fact that it is more than a year old. You say that the initial payments now amount to over \$5,000,000.—A. I want to explain that. We received among that \$5,000,000 repayments; we received \$1,767,561 on which no sale was made. The money came into our accounts. As a matter of fact, we issued warrants in repaying that. It is paid out of our appropriation. It comes in, and we turn it over to the Receiver General, and when we pay that back to the settler, because no sale is made, it is paid by warrant; it is paid out of our appropriation. We got in, as I say, \$1,767,000.

Q. Not as initial payments, but as repayments?—A. Initial payments from settlers who put in an application. We got it in before any loan was approved. We do not give him a loan at all. That money goes to the Receiver General.

Q. If you do not loan, you repay it?—A. We pay it back to him, and it is charged to our appropriation. That, I think, accounts for the difference in that case. They were dealing with settlers who were actually granted loans.

Q. That is all we want to know; the other matter is simply a matter of book-keeping?—A. It is only a matter of book-keeping, but it affects the whole loan statement, our whole account with the Finance Department.

Q. That is only a deposit, a guarantee of good faith to the borrower?—A. We do not return that money. As fast as that money comes in, we pay it to the Receiver General's warrant, it goes in as part of the revenue of the country.

Q. I understand all that. That does not affect our surplus or debit balance in the end?—A. It does not, but I have been giving the statement of the amount we have charged against us. Now, we have to take in that, otherwise we would have charged against us this \$1,700,000. We have to put that in.

Q. I get your point as to the first item. I thought you said that the initial payments amounted to \$5,000,000?—A. That is the reason we have to put that in. It is revenue.

Q. It is repaid to the soldier?—A. Because no loan was granted.

Q. I notice that in the report your total repayments amounted to \$9,779,925.19?—A. I think that probably I have that in another way. I brought here this morning my statement for the estimates. Our total refunds amount to \$15,210,000; that is not including the \$5,000,000 of initial payments. That is, we have refunded to the Receiver General \$15,210,000. That is not all in the shape of repayments from settlers. Part of that is derived from the sale of salvaged property. Some of it is administration refund. We refunded at the end of every year. We have it charged up to administration. At the close of the fiscal year, that has been charged to us, it is part of our annual expenditure, and yet we refund.

Q. I presume that this is a statement of the actual standing. I am not going into the details of receipts and expenditure. I take it that this would be the actual standing at the time this report was made?—A. Yes, that would be as to the actual refunds from settlers, if that is the statement.

Q. There is an item on the last page of this report, "Statement of Loans in force as at March 31, 1923."

Mr. MACLAREN: Is this a general statement that the witness is making now?

The CHAIRMAN: Yes.

Mr. MACLAREN: Would it not be better to give the witness an opportunity of making that statement? While these questions are very proper, speaking

[Major John Barnett.]