

*By the Chairman:*

Q. Each district inspector has the figure in his district on his over-all picture, but then would you not ask, like the general manager of a store, how much money you owed at the end of each month and what your commitments were at the end of each month? Would it not be within the scope of the duties of the head of a department to know exactly the position, not perhaps to the cent or to the dollar but for instance to the ten dollars?—A. That is information which I can get at any time. All our disbursements are controlled by financial encumbrances and disbursement control is exercised by the department of the treasury.

*By Mr. Fleming:*

Q. Well, Mr. Murchison, taking the 89 per cent that are fully completed, have you got the information here or is it in the hands of the official advisers who are present, which will enable you to say what the holdback is on these completed units?—A. I have not got that information here.

Q. You have not. Can you say what the basis of the holdback was? How was it arrived at? Was there a uniform basis applied?—A. I should say it was a rather arbitrary basis. Following the inspection, the general inspection of the project this winter, by myself, Mr. Woods, and Colonel Parrish, it was thought that action should be taken to defer any further payments to the prime contractors until the whole question of the responsibility for some of these conditions were properly clarified.

Q. Are we to understand from the time Colonel Parrish wrote his report you have not made any further payments?—A. No, I would not say that.

Q. On the completed project?—A. I would not say that.

Q. There were some?—A. There were some payments made, quite legitimately, where there was no justifiable reason for withholding.

The CHAIRMAN: You made a report at the end of 1946 of your activities for the year. Have you got one prepared at the end of March? Each department must make once a year a report as to its activities. Now at the time of the last report you had to prepare, what were the commitments for the construction of houses?

The WITNESS: I would have to consult the annual report, sir.

Mr. BEAUDRY: Mr. Chairman, may I interrupt Mr. Fleming? We had last night the figure of \$15,914,707, including total construction costs for, I would assume, the completed project, the 2,381 houses. That is out of a total of 2,600 odd something. Could you arrive at your percentage of holdback against that figure?

*By Mr. Fleming:*

Q. Does that figure which has just been quoted by Mr. Beaudry represent the total commitment in respect to the completed houses, completed units?—A. Yes.

Q. The \$15,000,000 odd?—A. That is right.

Q. But you have just said you could not give the committee the holdback against those completed units?—A. No, because some of our holdback relates to road construction where the contract has not yet been completed and where there is still work to be done.

Q. It looks as though we will not get the figures this afternoon.

The CHAIRMAN: Would the figure I wanted be the one that was supplied by a member of the committee as \$15,000,000 odd?

The WITNESS: I could, probably with a little delay, give you the holdbacks. All that we have is against the prime contractors who constructed these houses.