

By Mr. Shaw:

Q. Any United States bonds in the list?—A. No. Provision is made for United States bonds, but none has been tendered.

By Mr. Irvine:

Q. Can you tell us the total amount that has been advanced on municipal bonds?—A. Yes. We hold Canadian municipal securities in our hands of \$3,078,000 and the amount that could be advanced is \$2,482,000. At the present time there is nothing outstanding against them.

By Mr. Maclean:

Q. Does that go into the consolidated revenue, any profits from that?—A. Yes.

By Mr. Spencer:

Q. How long has this been in operation?—A. That is from 1914 up to the 31st of March last.

By Mr. Hodgins:

Q. How do you hold these municipal securities, when there is nothing advanced on them?—A. They have been submitted to the Board, and they were allowed to stand in our hands so the banks could realize on them at once, to save the time of sending them on when they needed money.

The CHAIRMAN: May I make a suggestion? In questioning Mr. Saunders, let us proceed in an orderly way, and have each member conclude his examination before another breaks in.

By Mr. Shaw:

Q. Mr. Saunders, you have been the Deputy Minister of Finance for how long?—A. Since 1920.

Q. And how long have you been in the Department of Finance?—A. Since 1887.

Q. Then I take it that this system has revolutionized itself during your experience with the Finance Department?—A. Yes, Mr. Shaw. The Finance Department to-day, compared with what it was even in pre-war days, is entirely different.

Q. That is, the Finance Act came in in 1914?—A. Yes.

Q. Then you have also partly under your jurisdiction the Mint, which came in in 1908?—A. Yes.

Q. And various supervisions in connection with financing and all the other matters that come under your jurisdiction, even within the last ten or fifteen years have been completely changed?—A. The various changes in banking legislation, do you mean?

Q. Yes.—A. Yes. The Bank Act was changed, too.

Q. You have told us about the composition of the Treasury Board, and the arrangements for operation under the Finance Act. I think you have indicated the mechanism fairly thoroughly. Who fixes what members of the Cabinet, what members of the King's Privy Council for Canada shall be the members of the Treasury Board?—A. The Governor-in-Council.

Q. And I suppose, owing to the list you have given, that they are chosen probably with special reference to their knowledge of financial matters; is that the theory or the principle?—A. I just take them as they come.

Q. We all sympathize with you. How often do they meet?—A. In normal times they try to meet once a week, but Parliament rather upsets that.

[Mr. J. C. Saunders.]