

*By the Chairman:*

Q. That is only an estimate?—A. Only an estimate.

Q. Do you think the expenditures will fall below \$600,000,000?—A. I do not think so.

Q. Do you think they are likely to be more?—A. They may possibly be a little more.

Q. Give us an example of where there may be some saving on these items?—A. There may be a little on shipbuilding.

*By Mr. Morphy:*

Q. By "saving" you mean non-expending?—A. Non-expending.

*By the Chairman:*

Q. Take these large railway items, \$35,000,000 for rolling stock, equipment and supplies. Would there be any saving on these?—A. It would look very much from the expenditure up to date that there would be very little there.

Mr. NESBITT: As to that word "saving," as I understand it, we are committed to these expenditures of \$699,000,000. You use the word "saving," but it would not be saving; the moneys will be expended, but perhaps not all this fiscal year.

*By the Chairman:*

Q. Take, for example, the question of housing, \$25,000,000?—A. The amount expended on housing up to date is comparatively small. At the same time, we have until the end of the year, and it is not absolutely certain what amount will be expended in the next five months. But from my own experience, I do not think the whole of that amount will be spent, probably not more than \$15,000,000.

*By Mr. Morphy:*

Q. That is during this fiscal year?—A. Quite so, sir.

*By Mr. Pardee:*

Q. The \$40,000,000 advanced is actually an asset of the Dominion?—A. It is for the construction of ships which will ultimately be the property of the Dominion of Canada.

Q. And owned by the Dominion?—A. Owned by the Dominion.

Q. And no part of this at all would come by way of subsidy for shipbuilding?—A. No, none.

*By the Chairman:*

Q. You proceed with a statement for the year 1920-21:—

"For the year 1920-21 no authoritative figures can be given for capital expenditures as they are only ascertainable when submitted to Parliament and approved. There are, however, certain items of expenditure that may reasonably be anticipated such as the following."

You might explain these four items. Take No. 1?—A. Demobilization expenditures. That is the balance required. It is a difficult item to absolutely ascertain, but there is no question in my mind that in the year 1921 there will be quite an amount of expenditure under this head to cover adjustments of claims and various expenditures which have not come into account on the 31st March next.

Q. And you estimate the amount required to be—?—A. \$50,000,000.

Q. Have you consulted the Militia Department in regard to that item?—A. I have had some consultation, and while naturally the department does not wish to make an actual figure so far ahead, they thought this a reasonable amount.

[Mr. T. C. Boville.]