

to cover the acknowledged expected deficit of Expo, that is after taking into consideration all revenue Expo will have, there is going to be a good healthy deficit. There will be buildings left but no one knows how much they will be worth. They are not built on land owned by Canada. What will happen there as far as title to the land and title to the buildings are concerned?

In all of the cases mentioned here there is no earning power to pay interest. For example, in the Greenbelt the loans are worth \$34 million; the revenue from rentals is \$500,000, but this revenue has to take care of carrying charges. I think the experience in the Greenbelt has been that if you want to keep farms in operation you have to make capital expenditures on them to keep the occupants happy.

We feel that anything where there is revenue in sight to pay interest or to repay the loan, fine, there is no criticism, but in these cases the revenue is not in sight except from government appropriations. This concept was started in 1957-58 in connection with the Greenbelt purchases. Right now there are loans of \$67 million to the National Capital Commission covering the Greenbelt, the Queensway which was financed that way, and is now almost cleaned up, there was \$1 million loaned to them for the Eastern Parkway, and \$11 million loaned for the Ottawa River Parkway. Where is this money going to come back from except from appropriations?

Mr. BALLARD: According to my theory, this should be written off.

Mr. LONG: That is what we are saying.

Mr. BALLARD: I say there are certain cases where it is not determinable whether a loan or an advance will necessarily be written off, and to what extent it may have to be written off. One of these, of course, is Expo. You say in certain of the expenditures the deficit will be so much and, therefore, we must write off the—

Mr. LONG: If the deficit is going to be so much, you certainly have to have appropriations from someone to cover that deficit.

Mr. BALLARD: We do not know what the deficit is going to be though.

Mr. LONG: Oh yes. The governor in council has accepted—

Mr. HENDERSON: The estimate is \$81 million.

Mr. BALLARD: What will happen if the deficit turns out to be \$50 million rather than \$81 million?

Mr. LONG: Then you will have a recovery. However, the experience so far has been that it is going up, not coming down.

Mr. BALLARD: We expect the deficit will be much more, but I am stating a hypothetical case of what happens if the deficit is \$50 million?

Mr. LONG: Then there is no harm done; we have all kinds of recoveries every year from the previous year's expenditures. This goes to revenue when you do get such a windfall.