

Mr. BRYCE: I know that when the green belt was decided upon and the policy put in hand, it was thought of as quite a long term proposition which would go on for 50 or 100 years; it would take some time to get the uses of the land within the limits which were thought to be proper within the terms of the planning of the national capital; that is, that it would take many years before the land was put to the most valuable uses subject to those limitations.

Mr. RYAN: Then it seems there is some valid reason for the criticism of the Auditor General, if it is such a long range project.

Mr. BRYCE: There is no doubt that these properties which we have taken on our book as an asset—although they have a tremendous sale value if we are prepared to reverse our policy—yield only a small fraction, about two fifteenths, of the revenue necessary to pay the interest on the loan. I hope that will increase soon.

Mr. RYAN: We have a \$30 million investment plus interest to be paid on it, with a likelihood of very little revenue coming in to offset the interest.

Mr. BRYCE: Yes.

Mr. RYAN: This is a bit of a millstone.

Mr. BRYCE: There is a net burden here which parliament is asked to vote year after year.

Mr. HARKNESS: There was a joint committee of the Senate and the House of Commons some years ago which sat for two or three years and heard an enormous amount of evidence. It then recommended that this green belt property be bought and that powers of expropriation be given so that it could be secured. All of this really has arisen from the decisions made at that time; that is, adoption of the recommendations, in large, of the committee by the government. At that time it was envisaged that a good deal of this green belt property would remain more or less indefinitely in farming. Part of the plan was that some of this land never would be changed from farm land, so that there always would be this green area between the satellite communities outside the green belt which it was felt would develop and which are already developing.

The CHAIRMAN: Since we have two more items to discuss, I believe we have had a very useful discussion on this item even though we have moved slightly outside the ambit of the subject.

Mr. HARKNESS: I think this has reference to the subject, and I agree with Mr. Henderson that the farm land should, at least for the purpose of paying interest on it, be written down to what its rural value is rather than the cost paid for it. What was paid for it was not on the basis of what it would produce as farm land. A great deal more had to be paid for it because of the increase in the value of the property immediately adjacent to Ottawa.

The CHAIRMAN: Thank you, Mr. Harkness.

We will move on to item 67, deletion of debts due to the crown.

Mr. BRYCE: I may say that I agree entirely with the views of the audit office as expressed in the second paragraph on page 24. I am informed that these two items, to which the Auditor General refers, and which total some \$6,000, were included in a dollar vote by mistake. It was not realized at the time when this vote was made up that these items were included as assets in our accounts. In fact, the Comptroller of the Treasury in recording the transactions for the year has treated these items as expenditures and charged them against expenditures under the authority of this dollar vote, so that I am informed there has been no departure from the proper principles, although the estimate was for a nominal item where it should have included the amount which is noted there.