

Dissolution of 1967 Expo Corporation

government acted contrarily to the guarantee given by the former minister, Mr. Winters.

I quote the second paragraph of section 65:

Prior to the opening of the Exhibition, the auditors drew to the Corporation's attention certain aspects of internal financial control that required improvement and certain important decisions that had to be taken before the opening of the Exhibition with respect to the procedures to be followed during the Exhibition for the handling of the substantial amounts of cash and the recording of revenues from admission passports, tickets, parking fees and other sources.

Mr. Speaker, while we can neither blame nor praise the government for having carried out a project which had been embarked upon and which was to be the crowning achievement of the century, the government is nevertheless responsible for the way it manages public property. We find that, in this case, public property was not under the control of the present government, or that it did not keep the promises made a year earlier by the predecessor of the present minister.

Mr. Pepin: Mr. Speaker, if the hon. member will allow me, I would say that answers were given to the Auditor General as regards the points he mentioned. As for myself—and the officials who will appear before the committee could say the same thing—I am prepared to answer each of these questions.

A moment ago I was discussing this matter with the hon. member for Calgary Centre (Mr. Harkness). All I ask is that the government not be found guilty before getting a hearing. The fact that the previous speaker does not accept the answer given by the government does not mean that there is no answer. In connection with the remarks of the previous speaker, I can answer that only \$97,000 have not been accounted for, which is an exceedingly small percentage, a "record" percentage, in a venture of that kind, if one recalls that an amount of \$107 million is involved.

I will answer all these questions before the committee. However, one should not infer that the government did not answer, or had no answer to offer.

Mr. Valade: Mr. Speaker, I thank the minister for those particulars. I am not talking about the amounts which cannot be traced or have not been satisfactorily accounted for in this report, although they will be at the parliamentary committee, according to the minister, but I say that certain sums of money which were spent, and many of which are

[Mr. Valade.]

presented to us in the form of a general balance-sheet, escaped government control. Perhaps the minister will allow me to prove my point by giving concrete examples.

I will first deal with Habitat 67 which is mentioned in page 40 of the Auditor general's report. As my colleague was saying a minute ago, this undertaking which had first been estimated at \$11 million finally cost \$17,982,000. The point I want to make is that when this program was developed the government did not exercise the necessary supervision to ensure that the money would be well spent and that the contractors would receive a lump sum after completion of the project. It was content with foreseeing in a general way the carrying out of the operations. And I am most upset as regards Habitat which I consider a monstrous extravagance. Certainly this question should have been put before the minister in charge at the time, I find it extravagant that \$1,891,000 should have been paid in professional fees for the plans and estimates of this project alone.

● (5:00 p.m.)

If the government finds it normal that we should pay \$1,891,000 to build such a monster, what I would like to know from the minister is whether this expense was made with the preliminary consent of the government or whether the government is now facing an accomplished fact and is simply bound to pay the shot?

According to Volume III of the Public Accounts of Canada, (1968), details on the assets of the Canadian Corporation for the 1967 world exhibition show terrific increases in the related expenses.

I want to refer to page 30 of Volume III of the Public Accounts, under the item "Personnel Expenses". We find that the amount of \$9,273,307, earmarked for 1967 salaries finally totalled \$28,091,629.

For administration purposes, legal fees amounting to \$65,157 had been provided for. However, they actually came up to \$291,698. A surplus of some \$230,000 was apparently paid in legal charges.

I imagine the Corporation of the World Exhibition resorted to the services of counsels. The committee should try to find out why there was such an overpayment in fees.

We will also find, on page 31 of the Public Accounts, in Schedule 2, the items listed under the heading "Advertising and Publicity