

Mr. MUIR: So, as I say, it is a matter of taking it out of one pocket and putting it in another. Can we not make some—

Mr. BRYCE: Yes, but it is different pockets. We would hope that Parliament would see that it is different pockets in its different years.

This will reduce our expenditure in the year in which the funds are advanced as a loan. It will increase them in future years, both in interest and for such sums as may be necessary for the repayment of the loan, in so far as the loans cannot be repaid out of the charges that are properly made by the corporations, either for depreciation as in the case of the CBC or for other purposes in the other corporate agencies which are financed in this way.

Mr. MUIR: Do you suggest that this is actually acting as a brake on the expenditures of the CBC?

Mr. BRYCE: Not on the expenditures, I suppose; but it enables Parliament and the CBC and the government to get a clearer idea, I suggest, about what it is really costing to operate the CBC and a more meaningful comparison between its revenues and its cost of operating.

Mr. MUIR: We are talking about pockets. It is true that it comes from one government pocket to another, but there is only one pocket it actually comes from and that is the pocket of the taxpayer, of course. These are the people we are interested in, and I know that you are just as interested as we are.

I think that in any dealing of this kind the taxpayer should be made well aware that the government is having to loan the CBC, or having to grant the CBC, if you want to call it that, so much money in order that they can operate to the extent that they are operating.

That is what I wanted to say.

Mr. BRYCE: Certainly, sir; and our purpose in all this is to disclose as fully as we can what is going on. I think that the practice that we are following here in these cases brings repeatedly to Parliament's attention the fact that—to take the case of the National Capital Commission—their revenues from rental are failing to meet the cost of the loans, or the investments—are failing to cover the investment that was put into the green belt, for example. This was the case most in point when this matter came up in 1964.

We think it is desirable that Parliament should have it drawn to its attention, and not that the whole thing should have been written off years ago and not brought currently before Parliament.

Mr. MUIR: This is the reason? You are showing this in order that it stands as a deficit against the corporation?

Mr. HENDERSON: I do not quite follow "standing as a deficit." It stands as an asset on the balance sheet of Canada.

Mr. MUIR: Are you speaking about the Corporation's books, Mr. Henderson?

Mr. HENDERSON: If I might add to what Mr. Bryce has said about the importance of getting accurate costs under the corporation, I would suggest that you do not need to go through this financing technique to achieve that.

Anybody studying the accounts of the CBC in past years will have noticed that they take in full depreciation and other charges which they do not pay but