

My point here, in answer to this comment, is simply that this is a matter on which Parliament surely can see fit to alter its original intent, and it has done so.

In regard to the accounting, Mr. Chairman, as we indicated in regard to the previous item this is being recorded in our accounts as loans the recovery of which is likely to require appropriation. We are trying to reflect the fact that this may not be a completely self-sustaining operation.

Mr. BRYCE: Perhaps I could just make a brief comment—without having the papers here—on the other issues which the Auditor General has raised—and, let me say, I think, quite properly raised—in terms of substance.

There is no doubt in my mind that Parliament will have to vote funds to pay a substantial deficit on Expo. I think that this is manifest already. We cannot tell what it will be, because we do not know what the revenues for Expo will be, and we do not know what we are going to get from the disposition of the assets which the Expo Corporation will have left over. There will be some rather difficult bargaining involved in the disposition of these assets, as is evident if you think of their nature.

Therefore, while we can be reasonably clear that there will be a substantial deficit—and I think that all those concerned, including Parliament, have entered upon this enterprise recognizing that it will be a costly one—it is too early yet to set a limit on the terms.

As regards our authority to do these various things, I cannot cite the sections of the Act and such at this stage. All I can say is that we in the Department of Finance have been most anxious throughout to be quite clear about our authority to enter into agreements on this and to buy these securities. We put this item into the estimates last year and sought Parliament's approval of it to remove any uncertainty about the thing, although, as I recall, our lawyers felt that technically we could find authority to buy these bonds. However, I certainly felt, and the Minister at the time felt, that it was better to put this item before Parliament and have its clear approval of our purchasing these securities, and for the reasons that Mr. Henderson has indicated.

This is obviously an operation where there is going to be a substantial amount eventually to be shared among these who are undertaking the project, and it will come about essentially in meeting the liabilities of the Expo Corporation, most of which, of course, will be in the form of these bonds.

Mr. CAMERON (*High Park*): I would just like to ask Mr. Bryce one question. On the purchase of these securities, are they being taken over by the city of Montreal, the province of Quebec and the Dominion of Canada in the same proportion?

Mr. BRYCE: No, sir. We are buying the bonds.

Mr. CAMERON (*High Park*): What is going to happen on the division of the fund, having regard to the charge that there will be against it on the loan.

Mr. BRYCE: The agreement to which the Auditor General referred provides for the sharing of the liabilities, which would include the liabilities on these bonds. In addition, the bonds are guaranteed by the province of Quebec as well as by Parliament. The authority for the guaranteeing of the bonds was given in the original legislation.