

Mr. LESSARD (*Saint-Henri*): I think that a licence was given to the first group under Mr. Paquette. I do not know the names of the others, but I believe that a licence was given to Mr. Paquette and the first group.

Mr. LEBLANC: Would it not be more regular to obtain a licence before signing an indenture involving \$350,000? I am sure that they would have had a licence before they got themselves involved in a business of this proportion.

The VICE-CHAIRMAN: You are saying that we should verify the fact whether the first group got a licence or not. Are you able to answer it?

Mr. HENDERSON: Are you aware of that?

Mr. SMITH: What I have seems to contradict that information. I have a note to the effect that the company received a liquor licence on February 24, 1961; but this is at odds with earlier testimony.

Mr. LESSARD (*Saint-Henri*): Did they not sign a lease in 1961, on January 31? If so, would they not get a licence right off the bat?

Mr. WINCH: The Auditor General and a member of his staff say that the record shows that they did have a liquor licence in 1961.

Mr. HENDERSON: Mr. Smith said there was a liquor licence obtained in February, 1961, which would have been shortly after the indenture was signed. It was stated earlier that it was thought the licence was not obtained until 1962.

Mr. LESSARD (*Saint-Henri*): The licence was obtained earlier than that.

Mr. HENDERSON: The licence was obtained in the later part of 1961. I have a recollection that the interim financial statement, which I mentioned, did in fact show some revenue from that source at the time.

Mr. WINCH: If they did not have a liquor licence how did they show revenue unless they were bootlegging?

Mr. HENDERSON: They were running the restaurant and the eating facilities at the airport.

Mr. WINCH: I thought you referred to the lounge.

Mr. HENDERSON: I am referring to the restaurant at the Montreal airport.

The VICE-CHAIRMAN: There was no revenue received from liquor.

Mr. HENDERSON: There was a little delay in obtaining a liquor licence. The fact that a restaurant can serve liquor helps the receipts from food.

Mr. STENSON: I should like to ask a supplementary question on this liquor licence subject. Why was a licence denied these people?

The VICE-CHAIRMAN: Mr. Stenson, I believe Mr. McLean has a further question.

Mr. McLEAN (*Charlotte*): I should like to know whether they did obtain a licence and whether the licence was cancelled.

Mr. HENDERSON: That is not the case to my knowledge, Mr. McLean. I do not know whether Mr. Scott has that information, but I think there was just a normal application made.

Mr. SCOTT: That is my understanding.

Mr. McLEAN (*Charlotte*): It is my understanding that the licence was held up or cancelled.

Mr. HENDERSON: The licence may have been held up for some time. We will have to get further information in that regard.

Mr. McLEAN (*Charlotte*): There may well have been a licence although they may just not have been operating under the licence for various reasons. Is that the situation Mr. Chairman?