

of the Ambassador Bridge under the present arrangements would, of course, be a form of expropriation.

The Federal Government could provide the funds to retire the outstanding bonds and the proposed overall bridge authority would then be in a position to issue its own bonds to repay the Government. There would, therefore, be very little direct cost to Canada. Tolls would be set at a level which would enable the bridge authority to retire the bond issue over a suitable period.

There would presumably be strong protests from the U.S. side if an accelerated reversion process were to be implemented, since there are indications that a number of people in the U.S.A. benefit financially from the international bridges, even when they are only paid on an expense account basis. However, despite any change in the reversionary process, the U.S. part of each bridge would obviously remain in their hands to be operated in whatever way may be acceptable to the U.S. authorities.

As mentioned earlier, cross-subsidization would permit the consideration of social need as well as economic viability when bridge proposals were being examined. To achieve this, some form of overall authority would be required to overcome the basic financial problems and to remove the necessity of direct government subsidies. If, however, the Federal Government did not favour cross-subsidization, then the advantages of an overall authority would be considerably diminished. Once the likelihood of an overall authority recedes, however, the need for accelerated reversion tends to disappear, and perhaps both the interests of the Federal and Provincial Governments could best be satisfied by regulation, provided some adequate mechanism was also established for starting new bridges.

The degree of involvement of the Province of Ontario is, of course, a basic issue. Certainly international bridges cannot be considered in isolation since they provide linkage