

than the Federal Government. This guarantee was to my mind essential if Parliament was to be called upon to look into the action suggested by COJO with regard to plans to secure funds, plans that the City of Montreal calls plans for self-financing, which are more likely to call upon the general public than on the taxpayer as such.

Assurances from Quebec

The Government has now received a letter from the Prime Minister of Quebec containing a clear assurance that his government would not seek financial assistance from the Federal Government should a deficit arise.

The Government has also received letters to the same effect from the City of Montreal and from COJO. With the permission of the House, I should like to table these letters now. The Government considers that the agreements by Premier Bourassa in his letter, and by Mayor Drapeau and Mr. Rousseau in theirs, provide the assurances we have sought. Since we believe a deficit is a clear possibility, these assurances are important. These letters guarantee that any deficit would not be laid at the door of the Federal Government.

The Government is now willing to act upon the request of the City of Montreal and COJO concerning the special issues of Olympic stamps and coins. And we are continuing discussions with the Government of Quebec, the City of Montreal and COJO on the best way of answering COJO's request for an annual lottery.

Federal expenses

Before I conclude, I would like to make very clear the nature of the federal outlays that may be involved in meeting the requirements generated by the Olympics for normal federal services. As I indicated earlier, these are not included in the budget presented by COJO.

One large cost item is the Olympic village. Between 2,000 and 3,000 dwelling units are contemplated. Funding by Central Mortgage and Housing Corporation could range from \$26 million to \$54 million, depending on the number and costs of the units and the amount of commercial financing. We feel it is quite reasonable to

consider that this could be handled between now and 1976 under the normal CMHC allocations for public housing, which go out to all provinces, since the share which has gone to the Province of Quebec has been running at some \$100 million annually. After the Games, the Olympic village would become part of Montreal's housing stock.

Second, we must recognize that the large influx of Olympic participants and spectators will put particular pressures on various services which, in the very nature of things, would have to be provided by the Government of Canada, such as personnel from the RCMP, the Canadian Armed Forces and customs and immigration. It is obvious that if the Olympics are held in Montreal, as they will be now, the Federal Government cannot stand aside and say: "We will not be involved in questions of security or customs or immigration." Yet, these are implied costs in the sense that they would not have occurred had the

Games not taken place. We anticipate this might involve some \$20 million in increased costs, and we are determined to maintain a strict control over such costs.

Finally, there is a further cost increment which would be incurred if the CBC assumed the role of "host broadcaster" providing the basic television service at the Games. In this event, net costs to the Crown corporation would be an estimated \$25 million. Discussions are continuing on whether CBC would or should undertake this function, and naturally the Government will have to reach a decision in that regard.

Mr. Speaker, the Federal Government has a strong and legitimate concern over arrangements for the 1976 Olympics. This concern does not, however, diminish the warm welcome which will be extended to the Olympic Games and its participants by the Government and by Canadians generally. It is a challenging undertaking and I am sure that all Canadians wish it well.

Canada-U.S. Great Lakes cleanup and control on schedule

Canadian pollution-abatement and control programs under the Canada-U.S. Agreement on Great Lakes Water Quality are moving ahead on schedule, Environment Minister Jack Davis stated recently. "Projects are under way or have been completed at every significant source of municipal pollution in the whole Lower Great Lakes area," Mr. Davis said. "I am particularly pleased with progress toward our objective of removing phosphorus from sewage in the Lake Erie area by 1973."

Commenting on a review of progress in implementing the Agreement, recently completed by Canadian and U.S. officials, Mr. Davis also expressed general satisfaction with progress on the U.S. side. "It appears that there may be delays on the U.S. side in meeting some of the targets for projects at their larger municipalities," Mr. Davis said. "This seems to be due partly to budgetary limitations and partly to physical construction problems."

"Having in mind the vast size and cost of the American part of the program, some slippage is probably to be

expected," said Mr. Davis.

He noted that U.S. funding for 1973-74 would permit commencement of 250 new projects totalling just under \$1 billion, adding that he hoped the American program could be "accelerated over the next several years — especially in the area of phosphorus control — to meet the Agreement target".

The Minister was pleased that the Canadian municipal construction program, being carried out under a supporting Canada-U.S. agreement, was on schedule. "However, we are not complacent about this," he said, "and we will be working closely with the Government of Ontario to maintain our momentum, and to deal with any problems that may come up in the future."

Progress would be reviewed "on both sides" with Mr. Russel Train, Chairman of the U.S. Council on Environmental Quality, at their next meeting, stated Mr. Davis. He noted that the IJC would be making a more detailed progress report on programs that had been undertaken since the agreement was signed last April.