

Closing Expo 1967 Corporation

committee thought they were really satisfactory. I subsequently observed that I hoped this sort of treatment of the Auditor General would not be repeated. As a matter of fact, as recorded at page 7-14, having listened to the minister's apologies and unsatisfactory explanations for his total disregard of the Auditor General's criticisms, I said:

As the Auditor General really represents the House of Commons in going over these accounts, and things of this sort, I think he is at least due the courtesy of an answer and, in fact, an interview relative to representations he makes to the responsible minister in any case. It is the sort of situation that I would hope would not be repeated.

I can only reiterate that statement here. I hope that in future this minister and others will not treat the Auditor General in the cavalier fashion that has been revealed in this case, and that I am afraid has occurred in too many other cases involving other departments.

One of the things which amazed me at the hearings before the standing committee was that it was impossible to establish the total cost to the Canadian taxpayer of this exposition. For quite a long time several of us on the committee tried to get the definite figure of the cost, but without success. As far as could be determined, the Canadian government put out in cash \$142.9 million, and there is a further \$1.1 million in lost interest because of the postponement provision in this bill with respect to Quebec holding back some \$5½ million for over two years, all of which would make a total of over \$144 million. Further, we could get no figure whatsoever to cover the assets which remained in right of the Crown through the federal government; neither could we get any information as to the costs of other departments in connection with Expo, although these costs were quite considerable.

In summing up, Mr. Speaker, I say that this represents an extremely unsatisfactory situation. It is not the sort of thing which should happen in connection with the expenditure of government money and accounting for it to the taxpayers. However, I recognize that the money has been spent. Now that the careless way in which it was spent has been brought out there is no point in continuing to go over the details of the mistakes that were made and the inefficiencies which were disclosed. I end by hoping that making this situation public will at least have the effect of serving as a warning to other government departments and agencies, and that considerably

[Mr. Harkness.]

more care will be shown in the future in the administration of public funds.

Mr. A. D. Hales (Wellington): Mr. Speaker, I would like to make one or two observations before this bill is given final passage. Much was said this afternoon, and during second reading, about the great success of Expo. I do not intend to dwell on that. Much has also been said about the cost to the Canadian taxpayer. I do not propose to belabour that point, but I do want to say a few words on the lessons to be learned from the experience gained in connection with Expo.

One of the first lessons to be learned is that the House should take more notice of recommendations laid before it by the Public Accounts Committee. In the normal course of events, the Auditor General makes certain observations in his report to the House; then the Committee on Public Accounts deals with them and makes recommendations to the House. In its seventh report for 1966-67 that committee recommended as follows:

The committee recommended that amendments to the existing legislation be placed before Parliament and the Legislature of the province of Quebec so that the additional grants required can be made by the parties concerned, namely Canada, Quebec and the city of Montreal.

In effect, the committee recommended that the legislation be changed so that this money would not appear in the form of loans but as grants. If the suggestion had been adopted the money would have been passed by this House in the form of grants; it would then have appeared each year in the Public Accounts of Canada and we would not have had to meet the great amount coming all in one lump as is the case with this bill, asking Parliament to write off \$122.9 million.

Another good reason for the committee making that recommendation was that there was no use giving money to the corporation and calling it a loan, knowing full well the corporation would never have the ability to repay it. In such a case the money may as well be given in the form of a grant. It would also have saved the corporation a certain amount of interest. I quote further from the seventh report of the Public Accounts Committee for 1966-67:

The committee again expressed the opinion that expenditures of this type are not loans or advances which can or should be regarded as revenue-producing assets but are in fact grants and should be charged directly to budgetary expenditure in the Public Accounts of Canada.

No action was taken, so we find ourselves in this position today. If we have a piece of