

Supply—External Affairs

Mr. Benidickson: I take it from the minister's reply to other hon. members that we have nothing unusual in this particular item but that it represents changes in the exchange rate on our dollar, and perhaps the over-all cost to us of our normal percentage of contribution to these various organizations to which we belong. The hon. member for Laurier raised a question regarding ICAO, and I believe we will find another item in the estimates with respect to the special Canadian obligation to ICAO. Regarding the United Nations will we not also find a special item where the percentage payments may not be supported on the usual pattern and that in consequence Canada will be asked—for instance with respect to the Congo as I suggested before—for special contributions?

Mr. Fleming (Eglinton): Yes.

Mr. Benidickson: In this item we are dealing with the normal percentage and there is nothing unusual which changes the pattern from that of the main estimates?

Mr. Fleming (Eglinton): That is correct. The distribution among the different countries and the assessments for the ordinary budget of the United Nations are, of course, different from those which apply to some of the special funds created by the United Nations.

Item agreed to.

676. To provide the international civil aviation organization with office accommodation at less than commercial rates, further amount required, \$40,778.

Mr. Chevrier: This has to do with the rental arrangement in the international civil aviation building in Montreal. I presume this building is the property, or under the ownership, of the Canadian National Railways and is leased in large part to the international organization. What are the terms of the lease? If I read this item correctly, the lease provides for a fixed amount, but then by virtue of certain arrangements made between Canada and the nations which have agreed to come here and have this country as their headquarters in international civil aviation matters, Canada has agreed to make a certain deduction in the amount of the rent. Can the minister give an answer to these two questions?

Mr. Benidickson: While this is being calculated, may I add this. Does this involve extra space for the international organization, or the re-assessment of what would be a proper commercial rate? I presume it involves the payment of the difference between the rate agreed upon by these international organizations and the present-day commercial rents in the area of Montreal where this accommodation is provided?

[Mr. Fleming (Eglinton).]

Mr. Fleming (Eglinton): The building in question is owned by the Canadian National Railways, and the Department of Public Works leases space from the Canadian National Railways and sublets it to ICAO at a reduced rate. The reason for the reduction in the rate is, of course, well known to hon. members and is approved.

The space in question is 30,000 square feet and the rate paid by ICAO is \$1 per square foot. This proposed appropriation of \$40,778 is to take care of additional floor space provided for ICAO in this way. On May 1, 1960, the Department of Public Works leased two additional lots of space in the building, one of 11,800 feet and the other of 3,450 feet. These two lots were leased in 1960. Then, just last month, the public works department leased an additional 3,500 square feet, and this proposed appropriation will take care of the portion of the rent chargeable to the Department of External Affairs and is what is in effect a subsidy payable to ICAO.

Mr. Chevrier: The minister has said that the rate is \$1 per square foot. What I was trying to ascertain, although I did not put it in that way—I put it in the general rather than in the particular—is what is the per square foot rate paid by other tenants in the building? I am thinking now of the international aviation offices such as K.L.M., T.C.A. and others. Air France is not there, but there are other corporations that do not benefit from the advantage obtained by the international organization.

Mr. Fleming (Eglinton): I am told that the commercial rate varies somewhat, depending upon the space and the floor. The commercial rate is not the same in all three instances of those areas that have been leased. It runs between something over \$2 and up to about \$3 in those three lots. Therefore, the extent of the subsidy is the difference between those figures and the \$1 per square foot which is paid by ICAO.

Mr. Chevrier: Has the matter of deciding on Canada as the headquarters for this international organization been finally concluded? As the minister knows, there was, because of some of these difficulties in the past, an attempt and a desire by not a majority but many of the member states to move their headquarters elsewhere. I think it is because of the manner in which the various governments of Canada have attempted to treat this international organization that it has decided to stay here; but I do remember there was a vote taken not many years ago, and I wondered whether it has now been finally decided that Canada will remain the headquarters of ICAO?