

notice they did not have any in 1963-64; they started up in 1964-65. All the capital money that the Corporation requires is advanced to it in the form of loans.

**The Chairman:** That is a good question, Mr. Walker.

**Mr. Walker:** I am not finished because I do not follow the answer.

**Mr. Henderson:** May I give you the figures?

**Mr. Walker:** This is in a revenue column of net profits.

**Mr. Henderson:** May I give you the figure? The amount invested in terms of loans to the Canadian Broadcasting Corporation at March 31, 1966 was \$26,700,000, the interest on which was \$1,009,323. That is the figure you see here.

**Mr. Walker:** Yes, but does that interest come back...

**Mr. Henderson:** It comes back to the federal treasury from the crown corporation.

**Mr. Walker:** And this means that interest of \$1,009,000 has been paid?

**Mr. Henderson:** Has been paid by the CBC. My criticism has been that the government had to give the CBC the \$1 million so they can pay it back.

**Mr. Walker:** This really is not a net profit figure?

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**Mr. Henderson:** It is not net profit. I explained earlier that this represents either interest on long-term advances or dividends, and the dividends do not always equal the profit for the year. For example, I think Polymer Corporation Limited makes more money than \$4,500,000. I think if I am not mistaken, Mr. Stokes, it would be on the order of \$8 or \$9 million? Mr. Rudy is not here. Eight or nine million dollars would be the level of dividend they pay to their owner, which is Canada. With respect to the Bank of Canada, I believe those are the total profits under the Act, so they pay it all. However, Eldorado Mining and Refining Limited makes more money than the \$1½ million it declared in its dividend.

**Mr. Walker:** Are there other corporations in this list that are in the same position as the Canadian Broadcasting Corporation, which in fact is not returning the \$1,009,000 to the gov-

ernment because they are giving it back by some other method? Are there any other corporations that are operating in this manner?

**Mr. Henderson:** I think we have a list of them in my 1967 report. We will give you the reference in just one minute.

**An hon. Member:** Just one point ...

**The Chairman:** We will just answer Mr. Walker's questions about the loans and investments first.

**Mr. Ballard:** How about the National Capital Commission? That would be another one, would it not?

**Mr. Henderson:** Yes. We have a list of them. We brought them together in the 1967 Report of the Auditor General. We have a short answer to Mr. Walker's question if we can just put our finger on it.

**Mr. Winch:** While they are doing that, Mr. Chairman, may I make a suggestion that later in the Committee's considerations we go into the question of whether a crown corporation such as the CBC should receive grants instead of loans, in view of the cost to the federal treasury.

**The Chairman:** Mr. Winch, I think we will have a discussion later on this question. The Auditor General has brought to our attention how these loans and the interest bearing on them should be treated.

**Mr. Henderson:** May I answer Mr. Walker's question?

**The Chairman:** Yes, go ahead, Mr. Henderson.

**Mr. Henderson:** I am going to ask Mr. Long to read from our 1967 Report, which pulls this all together in a sort of a summary form, Mr. Walker.

**The Chairman:** What page in the 1967 Report is that on?

**Mr. Henderson:** Page 126, Mr. Chairman.

**The Chairman:** Thank you.

**Mr. Long:** There are three main crown corporations; the CBC, the National Capital Commission and EXPO. They are the larger ones where money to pay interest on these advances, which are categorized as loans, has to come from public revenue. In addition to that, there are five smaller ones which you will see on page 126.