

The Annual Report of the Corporation is a blended review of operations under all the Acts. Because most aspects of housing come within the fields of property and civil rights—a subject that is, of course, reserved under the British North America Act to provincial jurisdiction—the National Housing Act provides for encouragement of the investment of funds for housing production rather than direct control of the production or use of the nation's housing stock. Central Mortgage and Housing Corporation is the Crown agency responsible for carrying out all functions of the Federal Government in the housing field. These are based almost entirely upon the provisions of the National Housing Act.

In enacting its housing legislation, Parliament has defined the areas in which the Corporation may operate, has provided the necessary funds, has imposed overall limitations, has generally expressed terms of a dollar volume of business beyond which the Corporation may not proceed without further Parliamentary sanction and has accepted liability for the Corporation's actions.

Broadly speaking, the Corporation acts in an advisory capacity to the Government and is responsible to Parliament through the Minister of Public Works. Approval by the Minister or the Governor in Council is required on all policy matters and all important financial items.

Central Mortgage and Housing Corporation consists of "the Minister and those persons who from time to time comprise the Board of Directors."

I think you will find that in most Crown corporations the minister is not included. That is one difference between us and others,—that in the Act itself the minister is defined as part of the corporation.

The Board of Directors consists of a President and Vice-President and eight other members—three of whom are selected from the public service of Canada. The remaining five are appointed from outside the public service and in practice they have been selected as representatives of various facets of Canadian endeavour, including the fields of architecture, social service and labour. The President and Vice-President hold office for a term of seven years.

The three directors selected from the public service are appointed by the Governor in Council and hold office during pleasure. The five directors selected from outside the public service are appointed by the Minister, with the approval of the Governor in Council, and hold office for a term of three years.

Our board is made up of eight people: three public servants appointed by the Government, five outsiders appointed by the minister and approved by the Government.

There are two appointments made by the board itself: those are the appointments of the president and the vice president, but these have to be confirmed by the Governor-in-Council. So in effect the Governor-in-Council has a close control over the total formation of the board.

The statute provides that there shall be an Executive Committee of the Board of Directors consisting of the President, Vice-President and two other directors selected by the Board.

Section 17 of the Central Mortgage and Housing Corporation Act provides for an authorized capital of \$25 million, which was paid to it by the Minister of Finance when the Corporation started operations on January 2, 1946. Under the same statute, the Corporation may establish a reserve fund of \$5 million out of its profits and, after building up this reserve, is required to pay, and has paid, all its profits to the Receiver General. The Corporation is required to pay income tax.