

point out in regard to section 82 they are subject to two limitations which I mentioned yesterday: (1) No loan can be made for a term exceeding 12 months, and (2) no loan can be made for an amount exceeding \$500,000. This provision is to meet temporary requirements for working capital, and is expressly required to be repayable within 12 months.

Mr. FLEMING: Those two final safeguards to which Mr. Balls has just made reference are, I think, not relevant to my concern in this matter. Questions of parliamentary policy are involved in the making of loans to the Canadian Broadcasting Corporation. That is the reason you have specific provision for it in the Canadian Broadcasting Act. I am a little bit doubtful as to whether section 78 goes far enough to meet the need of the situation. It simply provides that where there is any inconsistency between two Acts then the special Acts rather than the general Act shall prevail. But what we have here is a provision under 82, which, read with a specific provision in the Canadian Broadcasting Act, could very conceivably be construed as not being inconsistent with one another or as being in addition to one another. So, loans might be made under the Canadian Broadcasting Act in addition to loans made under this section. I do not think, surely, that is the policy of this particular bill.

Every time we have had that question of loans to the Canadian Broadcasting Corporation parliament has concerned itself very closely with the purpose for which the loan was to be made. This is not just for cases of inconsistency, and the two Acts could be construed as providing for loans to the Canadian Broadcasting Corporation under the Broadcasting Act and then another loan under this section?

Mr. CLARK: I would ask Mr. Fleming has not the concern of parliament been with loans for capital purposes essentially? This is just for working capital, tied to a very short term situation, and it would have to be repaid within a short period—a period not exceeding twelve months.

Mr. FLEMING: With great respect I do not think that is the answer because there have always been questions of policy, very broad policy too, in these loans to the C.B.C. For instance, loans for the purpose of developing television, or loans for a particular type of physical development.

Mr. CLARK: I was thinking that both of those would involve capital expenditure.

Mr. FLEMING: Yes, they do, but they have included working capital. That is the historical fact in the administration of the financial affairs of C.B.C., and parliament has retained quite close control over loans that have been made to the C.B.C.

Mr. FRASER: That clause there—

The CHAIRMAN: Just a moment, I think there will be an answer.

Mr. CLARK: There was a similar provision to this in the Government Companies Operation Act.

First, Mr. Chairman, I would like to be sure that the correct legal interpretation is that the loan of \$500,000 would be in addition to any loan possible under any other Act.

The CHAIRMAN: Mr. Henry could give the answer so it could be put on the record.

Mr. HENRY: The additional loan could be made under Section 82 if the additional loan did not contravene some limit that was in the special Act. However, Section 16 of the Canadian Broadcasting Act provides as follows: "The Governor in Council, on the recommendation of the minister, may authorize the Minister of Finance to place to the credit of the Corporation working capital advances from any unappropriated moneys in the Consolidated Revenue