

indicated his willingness to prepare a brief in connection with this matter. He is now here, and I will ask him to deliver his prepared material. Further, I would ask honourable senators to refrain from asking questions until Mr. Bates has completed his presentation.

**Mr. Stewart Bates (President, Central Mortgage and Housing Corporation):**

Gentlemen, I was not quite sure what you would require of me, and so I prepared what I thought would be a lead for you into this problem of housing, and also the Crown corporation. In fact, our annual report covers two distinct Acts: the National Housing Act and the Central Mortgage and Housing Corporation Act. I thought, therefore, that my statement to you this morning should be twofold, one covering the operation of the Corporation, in case you wish to investigate the Crown corporation to some extent, and, secondly, the part dealing with housing itself. So that as a lead I have here the two parts. I might say, gentlemen, that we are very happy to have the opportunity to come before you, as often as you please, because we are devoted to this problem, and to have a group such as you interest yourselves in it is the most desirable thing that can happen as far as we are concerned.

Mr. Chairman, may I proceed; and I think, gentlemen, you might just wish me to read this, and read not too quickly.

Mr. Chairman, may I be permitted at the outset to express my appreciation of the opportunity you have afforded me to appear as a witness before this committee. If it is your pleasure, I would like to make an introductory statement on the Corporation as an instrument of Government, on its physical organization, on its purpose and functions and on housing in Canada in its broadest terms. I will then try to the best of my ability to answer any questions and to amplify my statement in any way that you may wish.

The position of Crown corporations in our Governmental structure is not easy to analyse. They present, as a group, more dissimilarities than points of likeness in origin, purpose and modes of operation. I mean, for example, that a Crown corporation like the Canadian National Railway must, by definition, be given the powers and freedoms that are accorded to the Canadian Pacific Railway almost, because it has to compete with that institution. An organization like Polymer, on the other hand, something that is fairly remote from any citizen, can run itself in a fairly independent fashion. A corporation like the Canadian Broadcasting Corporation or Central Mortgage, which finally gets before households with all the problems of wet basements and doors that won't close, is quite clearly much more political in its total connections, much closer to the political scene. Every member of Parliament has some complaint brought to him by a potential or existing home owner. Therefore the contrast between, shall we say, Atomic Energy, and an operation like ours is very great indeed, in terms of relationship with the Government, with the minister and with the public. Some are direct agencies of the Government, attached to a Government department, while others are proprietary and governed by a Board of Directors responsible to the Government. Some obtain their funds in the form of Government loans, others receive statutory appropriations from Parliament.

In the case of Central Mortgage and Housing Corporation, a Board of Directors manages our affairs and conducts our business; we receive funds in each of the ways I have mentioned, through particular sections of the statutes under which we operate.

One of these statutes is the Central Mortgage and Housing Corporation Act, 1945 which established the Corporation. The others are the National Housing Act, 1954 and the preceding Housing Acts of 1935, 1938 and 1944.