

- Mr. G. A. Boyle, Deputy Postmaster General
Mr. H. T. Aitken, President and General Manager of Export Credits Insurance Corporation
Mr. L. Richard, President and General Manager, Crown Assets Disposal Corporation
Mr. George E. Bernard and
Mr. R. B. Somerville, representing Canadian Association of Equipment Distributors
Dr. P. M. Ollivier, Q.C., Parliamentary Counsel
Miss O. J. Waters, Secretary of Department of National Health and Welfare
Mr. L. V. McGurran, Financial Adviser, Department of Public Works.

I—General

4. Your Committee gave consideration to:

- (a) the action taken by departments as a result of recommendations by the Standing Committee on Public Accounts in its 1958 and 1959 reports;
- (b) the report of the Auditor General for the fiscal year ended March 31, 1959;
- (c) Crown corporations, and in particular to Export Credits Insurance Corporation and Crown Assets Disposal Corporation; and
- (d) the Canada Council

5. In examining the affairs of two of the Crown corporations, as noted in (c) above, the Committee feels that it has broken important ground in its approach to its work. It is of the opinion that it would be desirable for the operations of additional Crown corporations to be examined by the Committee in future.

6. It is noted that the Federal Government has upwards of $4\frac{1}{2}$ billion dollars invested in Crown corporations and agencies.

7. The original Crown corporation might be said to have started with the various harbour commissions throughout the country in the 1880s. Later on, towards the end of the First World War, the Government was obliged to take over nearly all Canadian railways other than the C.P.R. and administer by means of a statutory corporation now known as the C.N.R. Subsequently, in 1927, the Government entered a new field by setting up the Crown corporation known as the Canadian Farm Loan Board.

8. In the 1930s the Government of the day set up the C.B.C. and followed this by the National Harbours Board in 1936. The real growth of the Crown corporation idea was during the Second World War when it was necessary for the Government to accomplish a lot in a hurry and upwards of forty corporations were in existence at one time. Most of these Crown Corporations served a most useful purpose.

9. The time has come for a reappraisal of the position of Crown corporations in our national setup. Circumstances have changed; personnel has altered; and public policy is now more directly involved in the activities of these public corporations than was the case during the two World Wars.