

Mr. OUIMET: It is because the C.B.C. is a very large purchaser of electronic equipment and it would be embarrassing if there was someone on the Board who was a director or shareholder of a company with which we do business.

The CHAIRMAN: Is there a similar section in the present act, Mr. Ouimet?

Mr. OUIMET: Yes.

The CHAIRMAN: You are not making any change then?

Mr. OUIMET: Not in this part of it though there may be changes of wording, or of language.

Senator HAYDEN: I am satisfied.

Section 22 stands.

Section 23 agreed to.

On section 24—President and Vice-President.

Section 24 agreed to.

On section 25—Remuneration.

Section 25 agreed to.

On section 26—Staff.

Section 26 agreed to.

On section 27—Agent of Her Majesty.

The CHAIRMAN: Is there any change there Mr. Ouimet?

Mr. OUIMET: The C.B.C. is at the moment an agent of Her Majesty.

The CHAIRMAN: There is no substantive change here.

Senator CONNOLLY (*Ottawa West*): It is no longer necessary to get a fiat to sue the C.B.C. in Exchequer Court?

Mr. OUIMET: No.

Section 27 agreed to.

On section 28—Executive Committee.

Senator MACDONALD: Is there any similar section in the present act?

Mr. OUIMET: Yes, there is; at the moment it is done by by-law. The Executive Committee is appointed by by-law.

The CHAIRMAN: And now you are making it statutory.

Senator MACDONALD: The executive committee has very wide powers.

Mr. OUIMET: In the present act section 12(1) provides:

The Corporation may make such by-laws as may be necessary,

(b) to provide for an executive committee of the Board of Governors to exercise such powers as the by-laws may specify.

Senator MACDONALD: Will they specify such wide powers as are set forth in section 28?

Senator BRUNT: We will have to look at the by-laws.

Mr. OUIMET: It does not restrict the delegation of powers in the act. The by-laws could delegate as much responsibility as the board might decide.

Senator CONNOLLY (*Ottawa West*): But where it specifically says they may delegate to them all or any of those powers, what would happen in the event of a decision made by the executive committee whereby the directors found later that they were not in accordance with the decision of the executive committee.

The CHAIRMAN: I think Mr. Thorson gave us an opinion on that yesterday. He said what they implied was that the Board of Directors, to whom the executive committee directed its minutes, and with which the Board of Directors disagreed, it could over-ride the executive committee. Is that what you told us?

Mr. THORSON: I don't believe I made that comment, Mr. Chairman.