

financial report presented to the Board of Directors last June. The Auditor General has included comments respecting the CBC rental of excessive hotel accommodation in Montreal during Expo and the competence of the previous Board of Directors to grant the former President the normal retirement allowance given to long-service employees. The President suggested that receipt of the report be noted and that Mr. Davies prepare comments on this report for consideration at the next Finance Committee meeting.

REPORT ON REAL PROPERTY TRANSACTIONS

The Committee reviewed the agenda report covering real property transactions for the period September 2, 1968 to November 15, 1968.

Referring to the data on new leases and agreements, the President suggested that future reports should include information on the total area presently leased, cost per square foot, additions or deletions of space and increases or decreases in rental rates.

1969/70 ESTIMATES AND FORECASTS FOR THE YEARS 1970/71 THROUGH 1973/74

Mr. Davies in referring to the agenda report explained that the 1969/70 capital and operating estimates as approved by the Executive Committee on October 23, 1968 were forwarded to the Secretary of State on October 31 for submission to Treasury Board. Later on November 15, the Corporation's revised forecasts for 1970/71 through 1973/74 called for under the Government's Program Review Procedures was also forwarded to the Secretary of State for transmittal to Treasury Board. The President noted that the Corporation would again be required to update its five-year forecast to meet the government's 1969/70 Mid-Year Program Review.

ANALYSIS OF OPERATING EXPENDITURES - 1969/70

The President explained that the agenda submission had been prepared as a result of a request by the Committee at its last meeting that Management analyze certain objects of expenditures forming the basic 1969/70 estimates. He noted no action was required at this time and suggested that consideration of the report be deferred until the next meeting. The Committee agreed.

PURCHASE OF PROPERTY - MONCTON

The Vice-President Corporate Affairs (Mr. Fraser) referring to the agenda report, noted that the public relation aspect raised at an earlier Committee meeting had been clarified. The adult French community of Moncton, including the Acadian Society and the newspaper L'Evangeline supports the purchase of the Youth Centre by the CBC. The parish representatives have also urged the Corporation to continue with negotiations.

Referring to the purchase price, Mr. Fraser advised that two separate appraisals were received both placing a value on the building and land reproduction costs at about \$800,000 (\$650,000 after depreciation). As a comparison, it would cost in the neighbourhood of \$900,000 if the Corporation were to build a structure of the same size specifically for broadcast use. Purchasing the Youth Centre will mean that CBC French-language production facilities would be available 12 to 18 months earlier. Operating and additional capital expenditures, over and above the purchase price, can only be determined after a decision has been taken as to the type of program service to be provided. In this latter connection, a meeting is to be held shortly with regional representatives. It is hoped that recommendations can be submitted to the Board at its January, 1969 meeting.

Mr. Hinds moved, seconded by Mr. Lypka,

THAT the Finance Committee recommends that the Board of Directors approve in principle the purchase of a youth centre in Moncton, N.B., for the purpose of providing a regional program production facility for the French television service, and;