

Mr. SINCLAIR: Yes, and less noise.

The CHAIRMAN: Now, may we start all over again?

Mr. BALLS: There is a change in respect to subsection (1) of section 80 in that provision is made for the approval of the operating budget by the appropriate minister, or the Minister of Finance. In the past it has not been the normal practice for the Minister of Finance to see these budgets. And while I cannot speak as to what the practice has been with respect to the appropriate minister, I would think that in some cases it has been a matter for the corporate officers to determine the budget possibly without the specific approval of the minister.

There are one or two cases in which budgets are required to be submitted. The Federal District Commission has a requirement that their budget shall be submitted to the President of the Privy Council; and that no expenditure shall be made by the Commission under the Federal District Commission Act, until the expenditure has been approved by Council.

There is a similar provision in the National Battlefields at Quebec Act under which the National Battlefields Commission operates. But for the rest, I do not believe there has been any statutory requirement for the submission of operating budgets of agency corporations, either to the appropriate minister, or the Minister of Finance. With regard to proprietary corporations there are at the present time requirements in one or two cases whereby the budgets of the proprietary corporations shall be submitted to parliament. There is such a provision, for example, with respect to the Canadian National Railways.

Under the Canadian National-Canadian Pacific Act, section 12 requires:

The annual budget of the National Railways shall be under the control of the Board of Directors. Estimates of the amounts required for income deficits, for interest on obligations outstanding in the hands of the public, for capital expenditures and for refunding or retirement of maturing securities shall be submitted by the Board of Directors to the Minister of Transport for the consideration and approval or disapproval in whole or in part of the Governor in Council and thereafter presented to parliament. Income deficits shall not be funded. Amounts provided by parliament to meet capital expenditures shall not be diverted to cover deficits in operation unless with the express authority of parliament.

Mr. FLEMING: Has any thought been given yet to the form in which the operating deficits will be required to be submitted by agency corporations?

Mr. BALLS: There is one further corporation in the proprietary group which at the present time has a statutory direction to submit both an annual capital budget and an annual operating budget to the minister for his consideration and approval; and it is furthermore provided that the budget as approved shall be submitted to parliament.

The name of the corporation is Canadian Overseas Telecommunications Corporation. Those are the only two instances, to the best of my knowledge, in which there are budgetary directions with respect to proprietary corporations.

Mr. SINCLAIR: Do you not mean operating budgets? You said "operating deficits"?

Mr. FLEMING: Oh, I am sorry, I meant "operating budgets", which will be required to be submitted by agency corporations.

Mr. BALLS: No. And if you will notice subsection 3 of section 80 it says:

The Treasury Board, on the joint recommendation of the Minister of Finance and the appropriate minister, may by regulation prescribe the form in which budgets required by this section shall be prepared.