

capital stock or bonds; for others it may be by the issue of capital stock to be subscribed and paid for by the Government; or by the sale of bonds either to the Government or the public. A few corporations have financed all or a portion of their requirements from their own resources or earnings. Under a special financing arrangement a 15-p.c. excise tax charged on radio and television sets and their parts and accessories has been allocated to the revenue of the Canadian Broadcasting Corporation.

Prior to 1952, Crown corporations did not pay corporate income taxes. However the Income Tax Act was later amended so that, in respect of financial years commencing after Jan. 1, 1952, proprietary Crown corporations pay taxes on income earned in the same manner as any privately owned corporation. One desirable result of this amendment is that the financial statements of these Crown companies are now more comparable with those of private industry, with which in some instances they are in competition, and thus it is easier to assess the relative efficiency of their operations.

The functions of the various Crown corporations are given briefly in the following paragraphs. For a number of them further details are included in the Chapters dealing with the subjects concerned (*see* Index).

**Agricultural Stabilization Board.**—The Board was established in 1958 (S.C. 1957-58, c. 22) to administer the provisions of the Agricultural Stabilization Act, which has replaced the Agricultural Prices Support Act. The Board reports to Parliament through the Minister of Agriculture.

**Atomic Energy Control Board.**—In December 1946, by Act of Parliament (R.S.C. 1952, c. 11), the regulation and control of atomic energy in Canada were placed under the Atomic Energy Control Board. The Board reports to Parliament through the Chairman of the Committee of the Privy Council on Scientific and Industrial Research.

**Atomic Energy of Canada Limited.**—This Crown Company was incorporated in February 1952 under the Atomic Energy Control Act, 1946 (R.S.C. 1952, c. 11) to take over from the National Research Council on Apr. 1, 1952, the operation of the Chalk River project. The main functions of the Company are the research into many aspects of atomic energy, the operation of atomic reactors and the extraction, processing and marketing of the by-products of the reactors. The Company reports to Parliament through the Chairman of the Committee of the Privy Council on Scientific and Industrial Research.

**Bank of Canada.**—Legislation of 1934 (R.S.C. 1952, c. 13) provided for the establishment of a central bank in Canada, the function of which is to regulate credit and currency, to control and protect the external value of the Canadian dollar and to stabilize the level of production, trade, prices and employment so far as may be possible within the scope of monetary action. The Bank acts as the fiscal agent of the Government of Canada, manages the public debt and has the sole right to issue notes for circulation in Canada. The Bank is managed by a Board of Directors appointed by the Government and composed of a Governor, a Deputy Governor and 12 Directors; the Deputy Minister of Finance is also a member of the Board. The Bank reports to Parliament through the Minister of Finance and is governed by its own Act of incorporation. (*See* footnote, p. 104.)

**The Canada Council.**—Established by Order in Council dated Apr. 15, 1957, this Corporation of 21 members, a Director and an Associate Director operates under the terms of the Canada Council Act, assented to Mar. 28, 1957. Its functions are the encouragement of the arts, humanities and social sciences in Canada. Its work is financed from the earnings of a \$50,000,000 Endowment Fund and a \$50,000,000 University Capital Grants Fund. In the making, managing and disposing of investments under the Act, the Council has the advice of an Investment Committee of five, including the Chairman and another member of the Council. The proceedings of the Council are reported each year to Parliament through the Prime Minister.

**Canadian Arsenals Limited.**—This Company was established under the Companies Act by Letters Patent dated Sept. 20, 1945, and is subject to the Government Companies Operation Act (R.S.C. 1952, c. 133) and certain provisions of the Financial Administration Act (R.S.C. 1952, c. 116). The Company was set up to take over and operate Crown-owned plant and equipment. Among the items it now manufactures are propellants and explosives, small arms, radar equipment, and a wide variety of ammunition and components. Its divisions, together with the location of their plants, are as follows: Dominion Arsenal Division (Quebec and Val Rose, Que.); Explosives Division (Valleyfield, Que.); Filling Division (St. Paul l'Ermite, Que.); Gun Ammunition Division (Lindsay, Ont.); Small Arms Division (Long Branch, Ont.); Instrument and Radar Division (Scarborough, Ont.). The Company is responsible to Parliament through the Minister of Defence Production.