

conferred on him under the Department of Munitions and Supply Act or any Order in Council. Under this legislation, some 28 companies were created to serve a wide variety of purposes; most of these companies have since been wound up.

Following the successful experience during the war years in relying on the Companies Act for the establishment of Crown companies, similar incorporating powers were granted by an amendment to the Research Council Act and have been incorporated in the Atomic Energy Control and the Defence Production Acts.

In 1946, the Government Companies Operation Act was passed to regulate the operation of companies formed under the Companies Act. However, it was applicable only to a relatively small number of companies and, in order to establish a more uniform system of financial and budgetary control and of accounting, auditing and reporting for Crown corporations generally, Part VIII of the Financial Administration Act was enacted in 1951 and brought into operation by proclamation on Oct. 1, 1952. Upon its enactment, the financial provisions of the Government Companies Operation Act, which were covered by similar provisions in the new Act, were repealed.

One of the more interesting features of the new legislation is the attempt that has been made to define and classify Crown corporations.\* The Act defines a Crown corporation as a corporation that is ultimately accountable through a Minister to Parliament for the conduct of its affairs and establishes three classes of corporation: departmental, agency, and proprietary.

*Departmental Corporations.*—A departmental corporation is defined as a Crown corporation that is a servant or agent of Her Majesty in right of Canada and is responsible for administrative, supervisory or regulatory services of a governmental nature. Ten departmental corporations are listed in Schedule B to the Act:—

Agricultural Prices Support Board  
Atomic Energy Control Board  
Canadian Maritime Commission  
Director of Soldier Settlement  
The Director, The Veterans' Land Act  
Dominion Coal Board  
Fisheries Prices Support Board  
National Gallery of Canada  
National Research Council  
Unemployment Insurance Commission.

*Agency Corporations.*—An agency corporation is defined as a Crown corporation that is an agent of Her Majesty in right of Canada and is responsible for the management of trading or service operations on a quasi-commercial basis, or for the management of procurement, construction or disposal activities on behalf of Her Majesty in right of Canada. Schedule C to the Financial Administration Act lists the following as agency corporations:—

Canadian Arsenals Limited  
Canadian Commercial Corporation  
Canadian Patents and Development Limited  
Canadian Sugar Stabilization Corporation Limited  
Commodity Prices Stabilization Corporation Limited  
Crown Assets Disposal Corporation  
Defence Construction (1951) Limited  
Federal District Commission  
National Battlefields Commission  
National Harbours Board  
Park Steamship Company Limited.

\* Not all Crown corporations are subject to the provisions of the Financial Administration Act. For example, the Canadian Wheat Board, the Bank of Canada and its subsidiary, the Industrial Development Bank, because of the special nature of their functions, are excluded from the operations of the Crown corporations Part of the Act and are governed by their own Acts of incorporation, as are such joint enterprises of the Federal and Provincial Governments as the Eastern Rockies Forest Conservation Board and the Halifax Relief Commission.