

Financial Administration Act

it gives. The Government should not be able to push the responsibility on to the board of directors. The Government should be held responsible in this place. Therefore, we specifically absolve the board of directors from any consequences arising from the implementation of directives given to it by the Government. Surely this is a much more direct, honest and reasonable assignment of roles and responsibilities than was found in Bill C-27. It maintains a direct responsibility where it belongs, with the elected Government of the day in the House of Commons, which is terribly important to my mind.

In all these respects and others, Mr. Speaker, this new Bill is a vast improvement over the former administration's proposed legislation. It is direct, clear, understandable and, above all, it gets us all where we want to go, that is, into a long overdue system of comprehensive control and direction of Crown corporations and the affirmation of the accountability of Crown corporations to the Government and thereby to Parliament.

The Acting Speaker (Mr. Herbert): There follows a 10 minute period for questions or comments.

Mr. Thomson: Mr. Speaker, I would like to make some comments. There is a lot more involved in Bill C-24 than the auditing of Crown corporations and the general accounting standards concerning Crown corporations. The whole question of accountability goes far beyond simply auditing and generally accepted accounting principles. I am sure the Hon. Parliamentary Secretary would agree with that. We are also talking about the proliferation of Crown corporations in this Bill.

The point is that in his correspondence with the President of the Treasury Board (Mr. Gray) the Auditor General addressed himself to the audit provisions contained in Bill C-24. That is all he dealt with. Incidentally, in his own statement to me personally he said that the Bill had been reviewed in draft form with the Auditor General prior to tabling in the House, and it was on the strength of the draft document which he saw that the Auditor General corresponded with the President of the Treasury Board. However, in final form, the Bill differed substantially from the draft with which he was presented. Those are the facts of the matter in so far as the Auditor General is concerned. The implication by the Parliamentary Secretary that the Auditor General was implicitly endorsing the entirety of Bill C-24 is misleading to this House and the Members. That is one point. I think it is an unwelcome input into the debate in the House to imply that that is the case.

Miss MacDonald: He has not seen the regulations.

Mr. Thomson: Nor have we seen the regulations. The Parliamentary Secretary is well aware of that. In its humbleness the Government has agreed to let us see the regulations when we get to committee. I can tell you right now that we are never going to get to committee until we do see those regulations.

The Parliamentary Secretary also referred to the magnificent set of general auditing standards which have been introduced in Bill C-24. I am sure that the Parliamentary Secretary

is cogently aware that one of the provisions in Bill C-24 is the reference to special investigations. If the Auditor General deems it necessary, he can make a special investigation of a particular Crown corporation. What is a special investigation? It is a new set of words dreamed up by the draftsmen who put together Bill C-24 which completely confuse the auditing issue. Clearly the Parliamentary Secretary to the President of the Treasury Board (Mr. Foster), the President of the Treasury Board himself, and the Parliamentary Secretary to the President of the Privy Council (Mr. Evans) know full well that we are talking about comprehensive auditing. They do not want to come to grips with it so they decided to muddy the water. They decided to do another flimflam job and confuse the issue. Comprehensive auditing is a reality which is understood by the Auditor General and by the general accounting profession, but the Government does not want to submit its Crown corpses or Crown corporations to comprehensive auditing. So what does it do? It dreams up—

The Acting Speaker (Mr. Herbert): Order please. I must draw to the attention of Hon. Members that they may have a chance to ask another question but the question should be relatively short. The Parliamentary Secretary to the President of the Queen's Privy Council of Canada.

Mr. Evans: Mr. Speaker, I beg to differ with the Hon. Member opposite on a number of points. If he is concerned with the question of proliferation of Crown corporations, I believe that is dealt with in the following way. A Crown corporation has to state its goals and objectives. Any investment in a wholly owned subsidiary of a Crown corporation must fall within the mandate given to that Crown corporation. It seems to me, Mr. Speaker, that if Parliament has said that this should be the mandate of a Crown corporation and this is the field in which it should operate, and the Crown corporation operates in that field, then it does not seem to me that there should be a great hue and cry that this is somehow improper. If it was improper, then why did Parliament say that it was all right for Crown corporations to perform certain functions?

• (1540)

I am given to believe that there is no substantial difference between the draft Bill that the Auditor General had an opportunity to examine and the Bill that was introduced in the House. If there is substantial difference and if the Auditor General does not approve of the changes that the Hon. Member alleges were brought into this Bill, can he table or put evidence before the House that suggests that the Auditor General is acting contrary to what he said in the letter he sent to the Prime Minister (Mr. Trudeau), that he was hoping the Bill would move through smoothly? I will quote from the letter. It reads:

I recollect that last June I wrote you, expressing my concerns about the need for a more effective accountability framework for Crown-owned corporations. I think it therefore only appropriate that I write again now when there is such tangible evidence of action that will help to alleviate my concerns.

If the Hon. Member has written or other evidence that he can place before the House which shows that the Auditor