

Control of Public Funds

the Dairy Commission at what prices this cheese changed hands on the wholesale level in Quebec. The commission said they did not even know whether they had a legal right to find out. I suggest that a corporation which is spending so much public money should make it their business to know whether or not the consuming public is getting a fair shake.

I thank the House for its indulgence. I shall conclude very shortly. I find the only opportunity I have to ask these questions and get answers in the interest of my constituents and of the Canadian public is in committee; but, to use an old phrase, getting information out of some of the witnesses who appear before our committees is like pulling hens' teeth—there just aren't any. If the people on the government side expect us on the opposition side to take committees seriously, they had better instruct their public officials and the heads of various commissions such as the Farm Credit Corporation, the Dairy Commission and the grains commission to give the information that is required. They may then find they will receive co-operation, and hold the interest of opposition members.

● (1610)

Mr. Sinclair Stevens (York-Simcoe): Mr. Speaker, in dealing with the matter before the House I feel it is particularly important that we bear in mind the wording of the motion. I call the attention of hon. members to the fact that we are dealing with the government's mismanagement in spending escalating public revenues, and we warn that immediate and decisive action must be taken to restore control of public funds to Parliament. As a newcomer to this House, I should say that I have indeed been shocked by the lack of co-operation that the government, its officials and others tend to show when we try to get the facts about what is happening in regard to business transactions of the government.

I should like to touch on certain aspects that have become apparent to me. In view of the fact that the Minister of Industry, Trade and Commerce (Mr. Gillespie), the Minister of Supply and Services (Mr. Goyer) and the President of the Treasury Board (Mr. Drury) are in the House—they are the only three cabinet ministers present—it is perhaps appropriate that I specifically comment on activities that have been taking place within their departments or within Crown corporations for which those ministers are answerable.

Let me first deal with the Department of Supply and Services. This is a department that handles approximately \$100 million of contract business letting for the government each and every month. During the last 12 months they have let 11,630 contracts involving over \$1 billion. Of that number of contracts, only nine have been publicly let in the sense that the tenders were actually opened in public.

What I find most startling about this kind of activity in the department of the Minister of Supply and Services—who very appropriately is presently talking to the President of the Treasury Board, I hope about secret tendering and when it is going to end—is that the minister has made it clear that he does not believe his department's present practice, to use his own words, is entirely legal. This minister has publicly stated that a process exists which he

[Mr. Gleave.]

believes is not entirely legal, yet he has taken no action to date to put a stop to it.

When this minister is questioned in the House or by the press, he is very quick to say that this is a practice that has been going on for years. In fact, he likes to go back to certain years, such as 1957 or 1960, and say that this has been a long-standing custom. But surely the Minister of Supply and Services does not seriously expect us to accept that. Has he forgotten that his department was formed on April Fool's Day, 1969, and that it has only existed since that date? Yet he tries to put up a bit of a smokescreen by saying that what is going on—that what he admits, to use his own words again, is not an entirely legal practice, has been going on for almost an indefinite period.

I intend to get to the facts concerning this practice of secret tendering on the part of the government. I believe the time has come for an inquiry into the tendering practices of the government, particularly the practices in the Department of Supply and Services. Surely the public has a right to know whether this tendering is being handled in an above-board manner, whether the government is getting the best possible prices, why there should be any suggestion of secrecy, or the why the minister has to say, to use his own words, that he intends to look into the matter to see what are the advantages and disadvantages of this practice. I believe the only way that this House can get the facts is by having an inquiry, and in due course I hope to be able to move a motion asking that the House conduct an immediate inquiry into the tendering practices of the government.

While I am dealing with this department let me touch on another aspect. I refer to how the government seems to have no hesitation in concealing facts. There is a Crown corporation answerable to the Minister of Supply and Services; it is called the Canadian Commercial Corporation. In an auditor's certificate bearing date June 4, 1972, the Auditor General of Canada commented on the fact that he felt certain funds retained by that corporation had been improperly held by the corporation and not returned to the consolidated revenue fund. That comment was made, as I say, by the Auditor General of Canada in regard to a transaction of a Crown corporation. I think it is very interesting to trace what happened here. In regard to this matter I have had on the order paper since February 7, question No. 832 which asks specifically whether the situation has been rectified. I have found that not only has it not been rectified but the matter has been further complicated.

Moving over to the other department, which for some odd reason was also created on April Fool's Day of 1969, namely, the Department of Industry, Trade and Commerce, I find that a Crown corporation answerable to that minister, the Export Development Corporation, rushed to the aid of the Canadian Commercial Corporation and extended a \$28 million loan, the largest loan it made in that year, to an entity in the Bahamas in order to help finance certain notes that the Canadian Commercial Corporation had taken back regarding the sale of certain aircraft to Venezuela.

When the president of the Export Development Corporation attended before the finance, trade and economic affairs committee I pointed out that the Auditor General