

*Private Members' Business*

tion Act, sponsored by the hon. member for Okanagan—Similkameen—Merritt.

I as well endorse the objectives of the bill to increase the accountability of exempt crown corporations to the taxpayers of Canada. At the same time I have reservations that this proposal is the best approach to the question.

Let me deal with the proposal to make the officers and employees of the Canada Council, the National Arts Centre and the International Development Research Council part of the public service of Canada.

On February 27, 1995 the Minister of Finance introduced a historic budget to the House. Part of the announcement was the need to reduce the size of the public service by some 45,000 positions over the course of the next three years. That is a major undertaking which will require a great deal of effort to manage with both wisdom and compassion.

These three corporations have approximately 850 employees combined; roughly 230 in the Canada Council and 280 in the National Arts Centre and 340 in IDRC.

Adding 850 positions to the size of the public service at this time is swimming against the current. For this reason, if for no other, I cannot support the bill as presented to the House.

I share the point of view expressed early in the debate by the hon. member for La Prairie that broad brush legislation of the sort reflected in Bill C-263 is not the only approach that can be taken to this issue. There are other approaches that can and have been taken recently to strengthen the accountability of our crown corporations.

One such approach is improving the quality of corporate governance. I am referring to the role of the board of directors whose responsibility it is, to put it simply, to manage the manglers. In this respect I invite the attention of the House to the final report of the Minister responsible for Public Service Renewal and agency review released on February 16, 1995, the same day as the budget.

● (1125)

The purpose of the review announced in the February 1994 budget was to review the continuing usefulness and the currency of the mandate of the federal government, several hundred agencies, boards and commissions.

Among the measures adopted by the government in the final report to streamline the appointment process were decisions to reduce the size of the governing bodies of a number of agencies including crown corporations.

Accountability for taxpayers' dollars is a key consideration for these exempt corporations. In this regard it is worth noting the review concluded reductions in governor in council appoint-

ments will take place in three exempt corporations, two of which are identified in this bill.

The board of governors of the CBC will be reduced from 15 to 12 members. The board of trustees of the National Arts Centre would be downsized to eight members from the current eleven. The governor in council position of secretary will be eliminated in Telefilm Canada. The agency review taken as a whole will result in the elimination of some 589 governor in council appointments.

As well, the final report and agency review revamped the tenure provisions of the appointment process which would make it easier for the government to remove under performing individuals holding full time appointments, including officers of crown corporations appointed by the governor in council. Incumbents of these positions will now serve at pleasure. The government is committed to improving the appointment process, including appointments to the board of directors of crown corporations.

That is a commitment of the red book. Those were the recommendations in the report commissioned by the Prime Minister and submitted by Mr. Gérard Veilleux. "Unfinished Business, a Report on the Appointment Process to Boards of Directors of Crown Corporations", was released by the Minister responsible for Public Service Renewal last July. That was the focus of a conference held in October by the President of the Treasury Board for the chairpersons and chief executive officers of crown corporations.

The subject matter of that conference will perhaps reinforce the message to the sponsor of this bill that there are other avenues to improving the accountability regime for all crowns, including the exempts beyond the legislative approach.

The October conference, "Corporate Governance: Improving the Effectiveness of Crown Corporation Board of Directors", sponsored four workshops for participants. The first of these was on the development and approval of strategy.

This group explored the importance of the development and approval of specific strategies, the challenge of linking the development of strategy to the corporation's mandate, the relationship of the board to management and the factors which contribute to a board's success.

The second workshop was on the subject of board composition and evaluation. Discussion in these groups centred on the roles of the chairperson and the CEO, the selection and evaluation of board members, the functioning of the appointment process, board self-evaluation, the orientation and education of directors and all related communications issues.

The third workshop dealt with balancing the corporate agenda and the public good. Groups discussed the trade-offs between meeting the commercial financial objectives and achieving the