

*Inquiry on Crown Corporations*

**Hon. Allan J. MacEachen (President of the Privy Council)** moved:

That on Wednesday, June 30, 1971, the hours of sitting shall be from 10 a.m. to 2 p.m. or to the time when the House returns that day from attending the royal assent to any bills.

**Mr. Speaker:** Is it the pleasure of the House to adopt the said motion?

Motion agreed to.

**Mr. Speaker:** It being five o'clock, the House will now proceed to the consideration of private members' business as listed on today's order paper, namely, notices of motions and public bills.

[Translation]

### PRIVATE MEMBERS' MOTIONS

#### FINANCE

#### SUGGESTED ESTABLISHMENT OF SPECIAL COMMITTEE TO STUDY FINANCIAL ACTIVITIES, ENABLING LEGISLATION, ETC., OF CROWN CORPORATIONS

**Mr. André Fortin (Loitbinière)** moved:

That, in the opinion of this House, a special committee of inquiry on Crown corporations exercising financial, commercial or industrial activities be established to study the various Acts establishing such Crown corporations, the Crown Corporations Act, sections 76 to 88 of the Financial Administration Act, and all other laws concerning Crown corporations and to recommend to the House the adoption of a law regarding federal public enterprises; the committee should also study the following subjects without restrictions (a) the legal rules pertaining to the employees of such corporations (b) their financial structure (c) the way in which they are financed (d) government control over said corporations (e) fiscal regulations (municipal, school, provincial and federal taxes (f) the status of the administrators (g) the privileges of such corporations resulting from their being "commissioned by Her Majesty" (h) the status of the subsidiaries of these enterprises (i) their purchasing policy (j) the problem of auditing by the Auditor General of Canada or by private auditors (k) the appropriateness of State intervention in the economic field in the form of enterprises; and all other matters concerned.

**Mr. Speaker,** I apologize for presenting such a long motion, which you had to read in full because of its complexity, but you do everything so well that it is always a pleasure to hear you read those private members' motions because one feels that you consider that this hour is important.

**Mr. Speaker,** I have the pleasure today of coming back to a subject of great concern to me, that of Crown corporations. Since my election to this House in 1968, I have noted with astonishment the lack of interest shown by government members, especially those responsible for the Crown corporations, in the study and operation of such corporations.

I have already put on the order paper, as my colleagues well know, hundreds of questions with regard to bilingualism in the Crown corporations. Well, from the documents supplied by the government in reply to my questions. I must say that most Crown companies mock Parliament. Indeed the only link between them and Parliament, which has nevertheless established them by

[Mr. Peters.]

legislation, is the famous annual report which in the end says nothing but commonplaces.

**Mr. Speaker,** in practice Crown companies have become some kind of parallel power. Generally they are government tools which act through delegated powers in some particular fields. One only has to look at the Canadian Broadcasting Corporation to readily realize the total absence of government control over these government agencies.

As for the CBC, all the minister responsible—that is the Secretary of State (Mr. Pelletier)—can do is to run errands, tell the Crown corporation what goes on in Parliament and repeat here what the Corporation has replied in answer to the complaints that we have expressed. That is all!

We cannot even criticize or discuss a reply coming from a Crown corporation. I feel that parliamentary control must be above this stupendous farce that we are presently witnessing.

That is why, in order to shed light on this matter and others related to it, in short to give details on the administration of these corporations, their usefulness and their operation, their relationships with government and Parliament, I suggest today the appointment of a special committee of inquiry, something that has never been done since the establishment of the first Crown corporation.

In the light of the comments which I would like to make, I would refer my colleagues to several studies made by university experts in that field who are especially interested in parliamentary control over institutions created by the government. My colleagues will note like myself the importance of this problem at the present time.

**Mr. Speaker,** when reading over the motion introduced today, we realize that I especially insist on subjects which have led me to present that motion. What are they?

I am asking in the first place the passage of a general law regarding federal public enterprises which could be used for the creation of any organization deemed necessary to meet a special need.

**Mr. Speaker,** at the present time there is total confusion. We cannot compare the status of Crown corporations because some are representatives of Her Majesty while others are not and in several cases there are some overlaps.

• (5:10 p.m.)

It seems to me that in a country like this one, there is no reason for not having a basic law designed to guide parliamentary control over each of those corporations without our having to be experts in their respective fields.

But before we are ready to formulate that basic law, we will naturally have to analyze exhaustively what goes on in those corporations. A special committee of inquiry is needed to that end. I say "special" because I would not like it to be made only of hon. members; they should be associated with specialists and other citizens in order that a serious inquiry be made into the operations in those corporations.