

Financial Administration Act

that over-all framework laid down by the policy of the government of the day, in terms of the over-all accountability it is the duty of those who administer and manage the Crown corporation to manage it on a day-to-day basis and conduct the operations within the context of that policy. If there are any failings by way of policy, then it is the government of the day and the board of directors who are accountable. If it is a failing in day-to-day operations, the day-to-day, week-to-week, month-to-month management of the corporation, then it is they who are accountable. They can be and should be accountable to a standing committee of this House.

I would like to turn now, Mr. Speaker, to the matter of the right of the Auditor General to audit as a matter of right. I have no objection to that provision being there. I would be very surprised, in fact, and it would be an extremely remote occurrence if the Auditor General exercised that right on every single Crown corporation every year. He would pick out two, three or four a year and maybe different ones each year. If he were to audit, as a matter of right, every single Crown corporation, he would need a staff of another 2,000, 3,000 or 4,000 people. Then of course he would have the Chartered Accountants Association of Canada madder than heck at him. But in any case, there is no reason why the Auditor General should not, if he feels that a standing committee was unable to dig up enough information or could not adequately carry out its task, pick out a certain Crown corporation and do an audit on it. Why should he not? Then the appropriate standing committee could deal with that audit also in the next annual report of that same Crown corporation.

When it comes to Crown corporations, one hears much about losses, breaking even or profitability. It depends on what kind of Crown corporation it is and what it is there for. If it is of a public utility nature, something that the public utilizes, something for which there is a public need and of which there is a public acceptance regardless of whether it loses money some years, breaks even some years, and makes money in some other years, those are not the criteria for the existence of that Crown corporation. If it provides an essential public service and most years loses money, then the nation as a whole shares in the cost of those losses. In order to provide an essential and needed public service or public utility, whether it be national in scope, regional, or local, you cannot have a Crown corporation operating only on the criterion of its profitability.

Mr. Speaker, one looks at Canadair, de Havilland, Chrysler and so forth. Governments, of whatever political stripe, have to decide if they should make it a Crown corporation, or do they lend it money, or do they guarantee its loans? Whatever route they choose to follow they have to take it in order to keep that particular enterprise viable either economically or in terms of long-term prospects to preserve employment, to preserve technology and to keep well trained people in the country. That is a legitimate decision for a government to make. The question is not how much de Havilland or Canadair lost. The question is, on the other side of the coin, are the present short-term or long-term prospects and benefits sufficient to make any losses now perfectly justifiable? Some of that will have to be ques-

sworn. But it seems to me in general that it is a worth-while effort for a government of any political stripe to make.

It was also mentioned that every Crown corporation should have its own legislation. I for one agree with that. We have been trying since 1975 to get a VIA Rail Canada Act out of this Parliament. We still do not have one. VIA Rail Canada operates on a \$1 vote from the Estimates of 1975. The operations of VIA Rail Canada are subject entirely to whatever the Minister of Transport of the day decides. He can do absolutely anything he wants with it. Even if he were to do something that we all agreed with, would that be appropriate? Is that appropriate? Surely a Crown corporation should have the legislation that allows it to exist as a totally legal entity, accountable and answerable to Parliament.

On the issue of accountability, we all agree that there should be a maximum of accountability from Crown corporations. I only wish we had the same degree of accountability from the private sector. In the overwhelming majority of cases, shareholders in private corporations do not know and cannot find out what is being done with their investment. They cannot find out about the goofs and mistakes that occur in private corporations. I am sure there is nobody in this House who will tell me that private corporations do not make goofs. They do. If you went to the annual meeting of Canadian Pacific Limited and tried to find out, Mr. Speaker, you would not have a chance. I wish we had legislation that would require the same kind of accountability from the private sector as that which we are asking for in Parliament from Crown corporations. Let us keep, Mr. Speaker, the principle of the necessity of Crown corporations in various sectors of the economy as an essential part of a western industrialized nation. It is in conjunction with a mixed economy, the co-operative movement and the private sector that Crown corporations should function, not only with full accountability but also with the ability to go into joint ventures and derive the maximum benefit, whether economic, financial or social, for the people who put up the money, namely, the people of the country. That is all that is required, but that is a large order. Surely that is what this Parliament should be doing.

● (1640)

Mr. Blenkarn: Mr. Speaker, I was wondering if the Hon. Member could advise us whether it is still the position of the NDP to call for the nationalization of CPR by turning it into a Crown corporation? In view of the fact we have had a number of Crown corporations losing money, is that the kind of thing he says we should continue to do?

Mr. Benjamin: Mr. Speaker, I than my hon. friend for the question. I was afraid he would not ask it. Too often, and it has occurred with Liberal, Tory and NDP Governments, we have taken over losers. Well, here is a winner we should take over.

Mr. Gamble: Then we can make it a loser.

Mr. Benjamin: I say that because, for historic and economic reasons relating to the welfare and good order of the entire