

*Energy, Mines and Resources*

country—certainly from the left wing of the country—as well as from our party for an amendment such as this.

**Hon. Perrin Beatty (Wellington-Dufferin-Simcoe):** Mr. Speaker, I will be very brief in discussing the hon. member's amendment. I do not know whether the parliamentary secretary intends to put the government's position on the record. I can indicate my general support of the amendment although I do have some reservations about it.

He first proposes to ensure that the appropriate standing committee in Parliament would have the opportunity to review the activities of a Crown corporation on a regular basis. The other novel proposal is to give the appropriate standing committee itself the responsibility of striking a review committee. I have never heard of a review committee before. I am not aware of any in place at the present time which report in any way to a standing committee of Parliament made up of members of the board of directors, consumers and employees of the Crown corporation and that those appointees of the committee would serve on a voluntary basis and report from time to time to the appropriate parliamentary standing committee. He says he sees this, in essence, as a foot in the door for economic democracy, that in time we would find that workers and other affected groups would find their way into the boards of Crown corporations, and that because he cannot do that at this point, what he is doing is trying to accept a second best solution. I do not see it as particularly advancing that cause. I do see the value of it in that the hon. member appears to be attempting to improve some element of accountability between the Crown corporation and Parliament, and that, in itself, is constructive.

● (1600)

There are problems posed by the fuzziness of the amendment. How many people would there be on such a review committee? When would it hold its meetings? How would it be financed? How would the reports be prepared? How, in fact, would a parliamentary committee be able to reach into a corporation where it perhaps did not know the employees to choose or which one of the employees would be appointed to serve on the review committee? What, in fact, would be the action taken by Parliament as a result of the review committee's report? There are a number of questions here which leave the amendment somewhat fuzzy, but I do not believe this is insurmountable. I believe the intention of the hon. member, in terms of improving accountability between Crown corporations and Parliament, is basically sound.

I do, perhaps, want to use his amendment, however, as a vehicle for very briefly dealing with one issue that he raised, the question of the appropriate relationship between Crown corporations, Parliament and the committees of Parliament. I think he quite correctly mentioned the fact that the Public Accounts Committee has proposed that there be one committee on Crown corporations which could hold Crown corporations accountable in the future. Indeed, this is done in several other jurisdictions.

The real issue here is really a fifty-fifty proposition, whether that is the better way to proceed or whether it is better to have

regular standing committees taking the responsibility for appropriate Crown corporations involved in their fields. By and large, the argument in favour of having a committee on nationalized industries or on Crown corporations would be most forceful in instances where the responsibility of the government was essentially that of monitoring the financial activities of the Crown corporations, ensuring, for example, that annual reports were made, that the corporate plan was properly spelt out from time to time and that proper procedures were followed to allow for accountability.

Where there might be some difficulty in setting up one committee of Parliament to which all of the Crown corporations would report, amounting to 171 at the present time, I believe, is where there were very specialized areas of activity. There are several different types of Crown corporation, but perhaps for the purpose of simplicity I could divide them into two categories. The first is one which operates as a business corporation. It may very well be, for example, that if a company were in some trouble, the government would make the decision to take it over and become the 100 per cent owner; it was then nursed back to health and operated on a business-like basis. There is no particular public policy concerned there other than that of ensuring that the company continue, and perhaps protecting the jobs of the workers. The government would not be involved on a day to day basis in overseeing the activities of the company, giving instructions that it must get into a particular field or not get into a particular field.

Companies such as de Havilland, which are not created as instruments of government policy—the government thought it was essential that it have an aircraft company—could very easily report to a committee on Crown corporations in Parliament. The role of that oversight committee would largely be to ensure that the company was functioning on a sound basis, that its finances were well run and that it was properly managed. By and large, it would not get into issues related to the role of the government in that aircraft industry per se. The only question which would have to be asked from time to time, other than questions concerning the soundness of the management of the company, would be whether it was still necessary that this function remained under government control or whether it should be returned to the private sector.

There are, however, other Crown corporations which are very clearly instruments of government policy. The Canada Mortgage and Housing Corporation is one that springs to mind. That is a departmental Crown corporation. Perhaps most Canadians are not aware of the fact that it is a Crown corporation. It is inseparable from government policy. It does not function on its own. It is an integral part of the government's policy on housing. There is an instance where the considerations of Parliament are essentially policy considerations. What is the role of the government in the provision of housing in Canada? What should it be in the future? The argument against having such a company report to a committee on Crown corporations in Parliament is that that committee would have good expertise on financial management and on accountability in general, but it might not have the special-