

has so abused the principle of Crown corporations that we no longer have the ability to control those things which we have created. I quote from the Lambert Report, which was an excellent report as many Members may recall. It said:

In examining the bewildering array of Crown corporations we have found that existing provisions for classifying them and for accountability for each category have been rendered obsolete. The resulting state of confusion, if left unattended,—

This report was written seven years ago.

—will seriously impair the value of these agencies as instruments of public purpose and do further damage to the tenuous and sometimes obscure accountability links that, in varying degrees, we already have with Government and Parliament.

It is not foolish or silly of me to indicate to you, Mr. Speaker, the second concern of our Party with respect to this Bill. That concern raises a question that the Government has been unwilling to deal with for these many years, and that is the role played by Crown corporations which try to help rather than hurt. For example, those of us who have supported certain Crown corporations in our time have always been clear on one principle about Crown corporations, and that is that they had objectives which were publicly arrived at and which were operated by a board consisting of people primarily from the private sector so that they be run in a businesslike and efficient manner. That principle has been reversed by the Government. At every turn of the road the Government seeks to remove Crown corporations from the scrutiny of the House and the public.

Finally, Mr. Speaker, the third area of criticism this Party has for this Bill lies in the area of control by Parliament. Our ability now to control 300 Crown corporations through the House and its committees has, as the Auditor General has said on more than one occasion, been rendered obsolete. The power that Parliament has to control Crown corporations goes to the very heart of what the parliamentary system is about. All of the rights that you enjoy on our behalf, Mr. Speaker, arise from the power of Parliament to control the public purse.

Anyone who says with a straight face and a clear eye that today, after 15 years of Liberal Government, Parliament can control \$74 billion worth of assets from 300 Crown corporations is a stranger to the truth, because to do so is not possible. In fact, the Government has become so inured to resolving the problem that it finally invented a Crown corporation to control Crown corporations. That, Mr. Speaker, is why we stand against this Bill and will continue to do so.

**Hon. Allan B. McKinnon (Victoria):** Mr. Speaker, it is a pleasure for me to rise and speak on Bill C-110 after hearing the comments made by my distinguished colleague, the Hon. Member for Rosedale (Mr. Crombie). It shows that the Conservatives from the east, the west and the middle of Canada all feel the same way about this abuse of legislative process that puts more and more money in the hands of Crown corporations.

I feel that the Conservative position is not one that is opposed to Crown corporations simply because they are Crown corporations. We believe that there is a place in our society for

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Crown corporations. All we want is to be sure that they are accountable and that they are accountable to Parliament. After all, we bring them into the world and we should look after them. We should see that they act in a businesslike and reasonable manner and we should see that we do hear from them as to their financial manoeuvrings, their profits, their losses and the work they are doing.

There are several things about this Bill that we do not like. We are against the legislation that exists as well. However, this Bill would increase the borrowing power of this particular Export Development Corporation from \$10 billion to \$20 billion. That is a great deal of money. It will be done without any referral back to the House to find out what will be done with the \$20 billion that the corporation would then be able to borrow. It increases the ceiling for loans and guarantees far beyond what it is at the present time.

I would also like to point out that the EDC is not required to table an operating budget, it is not required to table a capital budget and it is not required to provide us with any information on the size of its payroll. Given those three factors, it is very difficult to believe that we are not giving it a blank cheque to do what it wants.

I would like to quote from the Report of the Auditor General for the fiscal year ended March 31, 1982, at page 47, where he said, *inter alia*:

The time has come for meaningful action to be taken to increase the accountability and control of Crown corporations.

This Bill goes in the exact opposite direction. I really do not see why we should have to tolerate this absolute disregard and defiance of what the accountants tell us is the problem.

• (1530)

I would like to speak for a moment of what has happened with Canadair, the famous Canadair, which was taken over by the Government, along with a Toronto firm, de Havilland, so that it would have what it referred to as a viable air industry which it hoped to sell to private industry when it was finished with it. The Government bought the firm for \$46 million. It gave the firm a loan guarantee of \$1.35 billion and equity infusions of \$440 million. One of our complaints about this firm, of course, is that the board of directors is dominated by Government appointees, the chief one being the Hon. J. P. Goyer, the former Solicitor General and former Minister of Supply and Services. In both of these positions he was a member of the Liberal administration. Along with two other appointees of the Government, he was left to run Canadair. These three appointees have been spectacularly unsuccessful in this operation, Mr. Speaker. They have lost \$1.4 billion. One could wonder how much cheaper it would have been to do almost anything else other than to appoint these three people to those positions.

Some people believe that it is a great thing to be sent to the Senate. It costs a lot of money. If you were to reckon that a Senator receives \$50,000 a year, and that there are 100 Senators, the amount of money Canadair lost in one year would keep the Senate running for 280 years. This profligate