

The CDIC was incorporated under the Canada Business Corporations Act in order to hold the Government's 85 per cent share . . . of the common shares of the Canada Development Corporation (CDC)—

Later in the press release it states, and I emphasize the reference to legislation:

Legislation will be introduced in Parliament to seek statutory affirmation of the reorganization of CDC of CDIC, Senator Austin said today. In the meantime, the Government has given Senator Austin and the CDIC responsibility for the following assets and enterprises in addition to the CDC shares: Canadair Limited, The de Havilland Aircraft of Canada, Limited—

And certain other corporations. The release put out by Senator Austin concludes with this paragraph:

Legislation will be introduced in Parliament to carry out obligations to confirm the Government's agreement with CDC, rendering it an ordinary commercial corporation which will adopt a new name.

I would like to emphasize the reference to legislation. It goes on to read:

• (1510)

The legislation will also reflect the CDIC's role in succeeding to CDC's original statutory mandate, and seek formal approval of Parliament for the structure of the Crown Corporation, and a requirement that CDIC obtain the approval of the Government for its corporate strategies, plans, and specific commitments.

In short, Madam Speaker, we have in those two releases notice, subsequent to the estimates being tabled in this House, that the Government has shifted its asset to a new corporation which has been incorporated under the Canada Business Corporations Act, and that the responsible Minister is no longer the Minister of Industry, Trade and Commerce, but is the Minister of State for Social Affairs, Senator Austin.

As further confirmation of what I am saying, Madam Speaker, when Senator Austin appeared before our Finance Committee, I asked him this question, and this is recorded in the Minutes of Monday, December 5:

MR. STEVENS: Who at the present time technically owns the shares of de Havilland and Canadair?

The reply, in part, was as follows:

SENATOR AUSTIN: It is a matter of PCO paperwork, but in law the responsibility is now mine through CDIC. The responsibility speaks from the time of the order by the Governor in Council.

MR. STEVENS: So to all intents and purposes, the shares and the ownership then of the de Havilland and Canadair are CDIC's?

SENATOR AUSTIN: Yes, indeed.

The evidence then goes on to the point where I asked Senator Austin whether he felt that the vote reference in the estimates that were then before us was a fair reference. Did it accurately reflect what we were being asked to vote on? And the Senator replied:

SENATOR AUSTIN: I do not wish to change the vote wording in any way and they remain wholly owned by the Government of Canada through another wholly-owned Crown Corporation, so I see no difficulty.

The Senator then went on basically to say that he felt that whatever had transpired, indeed had transpired, but he did not feel it affected this estimate and the vote in it which I have referred to.

Point of Order—Mr. Stevens

The reason I rise on this point of order, Madam Speaker, is that I feel you may well want to consider whether the two votes which I have referred to under the Ministry of Industry, Trade and Commerce are in the estimates properly, or whether they should both be deleted. I say that, first of all, bearing in mind that we are being asked to approve funds on behalf of a minister of industry, trade and commerce who has now lost the responsibility for the very entities for which he is requesting funding. Second, I would suggest, Madam Speaker, you might consider, based on the various rulings you have given, whether in fact we are dealing with a legislative matter here because, as Senator Austin pointed out, they are contemplating legislation to deal with CDIC which will give them authority to do what the Order in Council has presumably already anticipated, and has put in place. In short, we are being asked to approve a \$200 million equity injection into de Havilland and also a \$200 million equity injection into Canadair Limited on behalf of a Minister who no longer is responsible for those companies. If we did approve that appropriation, I would suggest to you it should be in the form of legislation.

In addition, think of the dilemma that both the Government and this House will be in if that estimate is approved, because here we have entities which are now no longer owned by the Government of Canada. The \$200 million will go into those two entities after the Prime Minister of the country has indicated they are to be wholly owned subsidiaries of CDIC. What exactly does the Government do then? We have authorized it to put \$200 million in the form of equity into each of the two companies, but those two companies in turn are to be owned by CDIC.

I would suggest, therefore, Madam Speaker, that if we were to approve the estimates in their present form, it would be a nullity because, in truth, the money, under the present Government's intentions, should be voted to CDIC, and then CDIC may see fit to put the money into their two wholly-owned subsidiaries, de Havilland and Canadair Limited.

I raise this, Madam Speaker, because I think it is a very fundamental matter. Senator Austin informed us that he is going to be requesting at least \$100 million more in further estimates for each of these two companies, de Havilland and Canadair, and my feeling is that if we chose, and in your discretion you decided, that the two votes should be deleted, there will be ample time for the Government to request, in a proper way, the funding, which apparently they should have requested a few weeks ago, that is, funding to go into CDIC with an explanation that it intends to use the funds to put further equity into de Havilland and Canadair Limited.

In conclusion I simply say that it appears that these estimates, having been approved it seems well in advance of CDIC even being incorporated, cannot be accepted at the present time as reflecting what in reality is the Government's position with respect to these entities. I would ask you, Madam Speaker, to consider the deletion of the two votes before we deal with the estimates in general tomorrow night.