

*Company of Young Canadians Act*

● (5:00 p.m.)

The government then made the proposal—and this proposal was adopted—that the Company of Young Canadians be given virtually unlimited authority to do anything. Its actions would be unchecked by the government or the board of directors of the company. It was the government that made this proposal, as it was the government that also put forward the concept of, as it was then called, participatory democracy.

The government appointed to the board of the company a group of people about whom it knew nothing. On the board almost to the end were at least two people who were very close to the government. Mr. Marc Lalonde, who was then, and still is, one of the principal advisers to the Prime Minister (Mr. Trudeau), was on the board from the beginning and almost till the end; and so was Mr. R. J. Phillips, who was then, and is now, in the Privy Council office.

Within months of the establishment of the Company of Young Canadians, reports started to come in of extravagance, of lack of any direction, of seriously thought out objectives and programs, and so on. So much was this the case that one of the maritime members of the board resigned. He wrote a letter to the Prime Minister outlining in detail what had gone wrong and why he was resigning his position on the board.

What action did the government take? It took none. We do not know whether the government received any report from Mr. Lalonde or Mr. Phillips because the inquiries that the committee was conducting were cut off. The majority Liberal members of the committee voted not to call Mr. Lalonde, and as a result we were unable to question him about what had occurred. The government should have known what was happening. Yet, it did nothing. It just let the matter drift.

During this period the Company had two or three acting directors, and all of them encountered difficulties. Again the government did nothing. It was not until Mr. Saulnier made his charges that members of the Company of Young Canadians, volunteers in Montreal and probably other cities in Quebec, were guilty of the most serious acts and crimes, such as inciting to violence, revolution and so on, that the government agreed to hold an inquiry, as a result of which changes were made. Therefore, I suggest that it is the government that is responsible for the difficulties

[Mr. Orlikow.]

encountered by the Company of Young Canadians, and the government is still responsible.

Having finally awakened to the fact that the Company of Young Canadians was not operating in the way it should, the government, as this government so frequently does, over-reacted. Many members pointed out the complete stupidity of having on the board, as was the case at the end, a majority of directors who had been elected by volunteers. Ten out of 15 members were elected and, speaking from memory, five or six of these ten had been elected from among the volunteers who were still working for the company. One or two were ex-volunteers. I was one of the members who realized—as in fact all members of the committee realized—that this was an impossible situation and that there was a conflict of interest.

What was the government's answer to this situation? As usual, it over-reacted. Instead of having the majority of the members of the board elected either by volunteers or from among the volunteers, the government said there would be no volunteers on the board. Anyone who reads the record of the committee proceedings will appreciate that I was a very stern critic of what I thought were the sins of omission and commission of the company and its operations, but surely in the year 1970 there is some room on the board for representation of people who are working for the company.

This is why, despite my reservations about the way the company operated in the past, I see no difficulty in supporting and voting for the amendments which will be proposed. Let there be some volunteers on the board. It would be stupid to let volunteers constitute the majority on the board, but there should be some volunteers on the board so that the Company of Young Canadians and the government know what the volunteers are thinking and what they want.

If the minister is worried about a conflict of interest here, then there is a relatively simple provision that can be written into the bill, namely that no volunteer who is a member of the board should have the right to vote on any project in which he is involved. In other words, he should not vote where a conflict of interest might arise. It seems to me that that would be a very simple answer. The minister is not prepared to do this, and it does not surprise me. If there is one thing that characterizes this government, it is the government's