

*Export Development Act*

there are very many people 70 years of age and older in Canada who could add much to boards of this nature. We support the five-year tenure for non-government members. I think it is always important in legislation of this type to specify a period of tenure. It is always useful to have a fixed date of termination, otherwise people who may have outlived their usefulness a little bit are not removed because you do not want to do anything to denigrate them. But the opportunity is not there to appoint newcomers who might be able to add more.

We agree with the the provision for the election of vice-president of the board of directors from among the board by the members of the board. The Government finds favour with that proposal which I believe was the same system adopted in the earlier Act before these amendments were proposed.

I now come to the points on which there is some difference of opinion between us on this side of the House and the gentlemen opposite. Our proposals are based on different political philosophy, Sir. In principle, we on this side of the House want to see a greater private presence in the EDC, particularly on the board of directors. However, the gentlemen opposite seem to want to retain a much greater degree of Government presence by having the chairman and a number of directors public servants in the employ of the Government of Canada. There might be some benefit in the Government's proposal in that in the present version of the Act six of the 11 directors must be public servants. This would give people in the employ of the Government of Canada a majority on the board at all times. The Government's proposal seems to eliminate that but it does not specify what number of members should come from the private sector and what number from the public sector. I believe the Government has said its intention is to go along with us and expand the non-governmental side of things, but there is still the possibility that it would appoint all the members of the board from the public sector. I do not think that is the intention but, of course, if the gentlemen from the NDP ever formed the Government I am sure that is what they would do without any hesitation at all. Therefore, I would not like to leave the legislation in a state which would allow them to do that without coming back for the approval of Parliament.

Our proposal, Mr. Speaker, is that there be three public servants on the board of directors. Let me say that I think there should be some people from government there. Hopefully, some of the others who are no longer in the public employ and who will be appointed to the board will have experience in the Public Service or in the political arena. They should have knowledge of how government works. But when it comes to full-time, permanent public employees, I think the three representatives we have proposed are sufficient. There should, of course, be public servants on the board. I have no difficulty with that because they can bring to the board their knowledge of how the Government of the day is operating. I think they would be a welcome addition to the board of directors which on the whole should come from the private sector.

Now, probably the most important change that we propose is that of the chairman. The Liberal Government proposes that

the chairman of the EDC board should be a public servant subject to the control of the Minister, a person to whom the Minister can give directions, but we propose that the chairman be an independent person. No reason why he still should not have lunch with the Minister once in a while if that is his wish, but he would not be under the direct control of the Minister. I think that would give the EDC a much greater degree of flexibility and enhance its independence from government. It will then be seen by manufacturers, exporters and importers and all the other people involved in this branch of commerce not just as a branch of government but as fulfilling its proper role as a Crown corporation, independent and at arm's length from government.

In most of the Crown corporations that we deal with as Members of this House we have the same kind of set-up proposed here. That, in my opinion, gives rise to a number of difficulties. When the choice of the chief executive officer is left up to the Government, very often it leaves the board of directors without a real function. Through the chairman of the board the Minister can give directions to the chief executive officer of the corporation and the board does not really have that much say in policy. The main function of a board of directors of any corporation should be to hire and fire if necessary the chief executive personnel. With Crown corporations that is very seldom the case. So you leave a board of directors no real function. Quite often they have extensive travelling privileges and they go flying all over the country or the world, often at Government expense, and they do not really have anything to do. It must be an awfully frustrating job. I do not think that the affairs of Crown corporations such as the EDC should be under the day to day control of the Minister. Rather, it should be flexible and have the private sector way of looking at things. Of course, the ultimate control should lie with Parliament, but through legislation and votes on the estimates rather than by control over the day to day affairs of the corporation by a ministerial appointee.

● (1250)

**Mr. Lyle S. Kristiansen (Kootenay West):** Mr. Speaker, in rising to speak to the amendment now before us, I must admit that I have been reaching back to recall some statements made by the present Leader of the Opposition (Mr. Mulroney) in order to find a clear motivation for the amendment placed before us by the Conservative Party, and I found them. We must remember that we are dealing with an amendment that will change the current wording of Bill C-110, an Act to amend the Export Development Act. We are dealing with the Bill in such a way that we will restrict to three the number of persons on a board of 15 who could be employed either in the Public Service of Canada or employed, as I understand the amendment, by any provincial Government across the land as well.

The Conservative Party, with a great deal of justifiable and understandable motivation, would like to ensure that there is a broader cross-section of representatives of the various sectors of our economy on the board of the Export Development Corporation. But there is more to it than that, I would submit.