

Government Orders

the people of Canada. I do not accept the principle that every Crown corporation has to operate at a profit.

When the government refers to adding corporations to Part 2 of Schedule III and that the corporations must be ones that are operated in a business way and that there must be a reasonable expectation of dividends, I have to wonder what corporations it is looking at. Does the government have in mind bringing in any particular corporations that are currently not being operated that way and making them profitable, first, by charging Canadian taxpayers enough for those services that those corporations will earn a profit? Does it have that kind of a program in mind or will it instruct those corporations to pay dividends to the Crown? If it does, it is simply another way of raising the taxes imposed on Canadians.

Some ten months ago in bringing in a budget, the government made much about saying that there were no tax increases in the budget. It forgot to mention it had imposed tax increases the year before, and even the year before that, that did not come into effect until 1990. While it did not, by legislation, bring in new taxes in 1990, it had brought in new taxes in previous years that became effective in 1990. Now, to say that it is going to do something else that, as I have suggested, could mean several billions of dollars of additional revenue for government, if it is going to take it away in dividends, while saying it is not increasing taxes, is not really telling the whole truth.

If one pays a little more for a postage stamp, in one's mind one is paying more to the government, even if it is a Crown corporation. It does not have to be called a tax. One knows that the government is taking more money and not giving anything back. Indeed, if we use Canada Post and VIA Rail as examples, it is taking more money away and giving less back. To say that it is not an increase in taxes is not telling the whole story.

What other plans does the government have? I do not think this particular section is simply doing something that the Auditor General recommended. I do not know, but I do not think it is. It seems to me that the government must have some specific plans for making certain Crown corporations profitable to the extent that

they will be required to transfer dividends to the Crown, with a view of the Crown making more money without increasing taxes and yet taking that money out of the pockets of Canadian taxpayers.

I am pleased with one change that is being made and that is with regard to giving the government the authority to make payments by electronic means. It makes it possible to make the payments more up to date, to be prompt with the payments, if you like, and to cut out some of the paperwork. It just makes it that much more efficient. I expect that that could well have been one of the recommendations of the Auditor General.

Among the important provisions are the requirements for regular reporting in corporate plans, budgets and annual reports, and extensive auditing requirements, including comprehensive and value for money audits known as special examinations. This was, of course, one of the recommendations of the Auditor General and on more than one occasion. It is well that this is now being provided for in the legislation. Let us hope that the government goes the next step, if it has not already—it may have done so in some instances—and actually does what it is saying it will do here in proposing this change in the legislation.

With respect to dividends paid by Crown corporations, I have a list of corporations that paid dividends in 1988 and 1989. Canada Ports Corporation in 1988 had dividends of \$100,000; and in 1989, \$70,000. To me, that is an example of a commercial operation that could quite properly be expected to operate at a profit and to return at least a portion of that profit regularly to the Crown.

Another one is the Canadian National Railways which is being required by law to make dividends of a certain amount. This legislation is being changed so that it will not be that tightly tied to what the dividend should be. Dividends in 1988 were \$56.5 million and in 1989, \$41.2 million.

Canadian National, it would seem to me, more so than the CPR, has been in the business of providing a service because of the very long linkages of tracks to remote areas that it inherited when it became the CNR when it took over all the companies that went under. It was part of a national policy to provide rail linkage to a lot of