

*Energy, Mines and Resources*

Also we in Canada have advanced in the area of Crown corporations which are not really a form of regulation but are related to it. I should like to refer to two recently published books. One is entitled "Public Corporations and Public Policy in Canada" which was published by the Institute for Research on Public Policy. The second one is entitled "Government in Business", which was published by the C. D. Howe Institute. They deal with both provincial and federal Crown corporations.

I have been acquiring an interest in this field, and it is a fascinating one. One problem is corporate profitability versus the policy role of Crown corporations. This issue is a very central one because it raises the dichotomy facing Crown corporations. Do those which have commercial functions exist to make a profit or do they have some public policy responsibility? If they do, how can that responsibility be measured? If they do, what sanctions could be set in place to regulate entities which do not meet that measured responsibility?

I am sure I do not have to remind Conservative members to my right that their party got into trouble over its abortive efforts to privatize Petro-Canada. I think that resulted, among other things, from not having really established that Petro-Canada had failed. Beyond that, Canadians accepted the need for a Crown corporation in the oil and gas industry. In effect, Canadians expected that Petro-Canada would have some responsibility in the area of public policy. It will be interesting to hear the debate in the months ahead over the Canada Development Corporation in order to discover whether Canadians have decided if it should be privatized or whether it has a public policy role.

The measure of Crown corporations, however, is undeveloped. Politically it seems to me that it is a quagmire and requires some very careful examination before coming up with a policy. Merely calling for greater accountability of Crown corporations is too facile since it loops back into the basic question of profitability versus public policy responsibility. There are some things we can do if we accept the fact that we must have greater accountability.

The hon. member for Wellington-Dufferin-Simcoe (Mr. Beatty) is one of the few members of the House who pays particular attention to this area. I congratulate him for that. I have learned quite a bit from reading his speeches.

I should like to put the problem as I see it. Both parties in opposition are advocating that a Crown corporation should be created through Parliament. I think we both agree that it should not be created by order in council. If the government says that it cannot do that because Parliament takes too long, the answer is to reform Parliament, not to say that it cannot be done.

The hon. member for Regina West (Mr. Benjamin) told me that VIA Rail was formed by a one dollar item in the supplementary estimates. What kind of scrutiny does that give Parliament? My point is that even if a corporation is created by Parliament—and Petro-Canada is an example—we still have the problem of ongoing accountability.

During the debate on Bill C-101 the hon. member for Winnipeg-Birds Hill (Mr. Blaikie) gave a very thoughtful speech on the role of Crown corporations. He pointed out that while we on this side support Petro-Canada and would not privatize it, we still have some questions as to the thrust of its development in the north, its role with environmental and native groups and indeed its board of directors. I must be charitable in describing its board of directors. There are Liberals on its board of directors; it is patronage-ridden. We do not really have much accountability even after we have created a Crown corporation. This is what I want to talk about today.

There are two other issues facing Crown corporations. One is the relationship between public and private corporations and the other is the privatization of Crown corporations. The hon. member for Wellington-Dufferin-Simcoe does not have the privilege of coming from British Columbia as I do. He has not seen—and it is not a privilege—the breakup of many Crown corporations in that province through BCRIC, the BCRICing of Crown corporations or transferring them to the private sector. This has been a disaster in British Columbia. If the hon. member ever gets into power again and he has the same idea of privatizing Crown corporations, I suggest he should take a look at the way BCRIC has failed. Those are issues for another day.

I should like to focus my attention on the amendment because I think it covers some of the issues. I have suggested in the amendment that in the activities of Crown corporations they have a responsibility. My amendment suggests that it should be referred to the appropriate standing committee. Ideally we should have a special committee on Crown corporations. I understand Tommy Douglas, when he was the leader of our party in Saskatchewan, established a special committee. I understand that in Britain there is a special committee of the British House of Commons that deals with this. I think it was called the statutory regulations committee in Saskatchewan which specifically dealt with Crown corporations.

● (1550)

I have not had the honour of serving on the Standing Committee on Public Accounts and therefore it is new to me in many respects. I am sure that if my understanding of it is wrong the hon. member for Wellington-Dufferin-Simcoe will correct me. It is my understanding, however, that it has made recommendations to have an ongoing review of Crown corporations. I am told, for example, that it was proposed to make the Auditor General the auditor or co-auditor of a Crown corporation with the authority to conduct a comprehensive audit. I understand that this happened with respect to the Post Office for a period of two years, but when the Auditor General wanted to get his mandate reviewed the Prime Minister (Mr. Trudeau) wrote to him and said no. Therefore, they have really been denied any authority.

I am also told that the hon. member for Regina West proposed an amendment a few years ago, which was accepted by the government, which would require the annual reports of