

*Financial Administration Act*

no point in appointing a person to do a job unless there is, in fact, a job to be done. One should not create a corporate structure the board of directors of which is composed of eunuchs, and that is what we have in this Bill. I suppose that if we were going to appoint someone who would be a good eunuch, the Hon. Member for Regina West (Mr. Benjamin) would qualify.

We believe that the way this Bill should be structured is for the directors to have the responsibility to ensure that the corporation acts properly, and they should be responsible for the actions of the chief executive officer and the other officers of the company. They should have the job of selecting the chief executive officer and the other officers who are going to do the work in the company. That, Sir, is what directors are all about. If one is going to have directors, they had better do some work and they had better be responsible for their work. This Bill gives them no responsibility at all.

**The Acting Speaker (Mr. Guilbault):** We are resuming debate.

**Mr. Benjamin:** Question?

**The Acting Speaker (Mr. Guilbault):** I am sorry, I would like to give the floor to the Hon. Member for Regina West (Mr. Benjamin) on a question, but the time allowed for the question period has now expired and we are back into debate.

**Mr. Manly:** I rise on a point of order, Mr. Speaker. I believe that there is supposed to be a ten-minute question period and, from my observation of the clock, that ten minutes has not elapsed.

**The Acting Speaker (Mr. Guilbault):** I am advised by the Table officers who keep the time that I made a mistake. I will recognize the Hon. Member for Regina West for a question.

**Mr. Benjamin:** Mr. Speaker, to be a little more serious with my hon. friend, he mentioned government policy objectives and Crown corporation policy objectives. Does he differentiate on the assumption that a Crown corporation is there to serve public and social policies, in which case the Government would be responsible for the parameters of that public and social policy? Would he then agree that the board of directors would be responsible for Crown corporation policy only in terms of the operation of the corporation within the parameters of the social and public policy laid down by the Government of the day?

**Mr. Blenkarn:** Mr. Speaker, with respect to corporations which are in the social fields—and I would think the Hon. Member is looking at the Schedule B corporations in this Bill—these particular corporations, and some which are in Schedule C, Part 1, are corporations which are really boards under a corporate structure. There does not need to be, in my view, a board of directors for these corporations. There might have to be an advisory panel, but there does not need to be a board. These corporations are really departments of government, really doing a government function, so that the people

involved are virtually part of the government department. For example, I point out to the Hon. Member the Canada Employment and Immigration Commission. That is a government department function—

**Mr. Benjamin:** What about CN and Air Canada?

**Mr. Blenkarn:** It is very difficult to judge why it should be a corporation in the first place. It is really, Sir, part of a government Department. I would think we would get rid of many of these and bring them back into government—

**Mr. Benjamin:** What about CN and Air Canada?

**Mr. Blenkarn:**—so that they would be directly managed and handled by people who are employees of the Government of Canada as civil servants. My friend screams out, “CNR”. The CNR is a different matter. The CNR is not a social corporation. It is a business corporation. It is expected to make a profit. We would expect it to make a profit. We would hope it would pay dividends. If its functions were clearly of such a kind that we would begin to wonder why it should not make a really good profit, we might even sell it off. However, that would be an entirely different proposition. It is not a social corporation and directors of that type of corporation ought to be good, solid business people who take solid responsibility for the solid management of the corporation.

**Mr. Benjamin:** Mr. Speaker, may I ask the hon. gentleman this question: a government of the day, of whatever political stripe, lays out a public policy regarding a Crown corporation like CN or Air Canada. That may mean that it cannot make money, or can only break even, as a matter of public policy, otherwise it would have to decrease services. Would the Hon. Member then feel that the board of directors of Canadian National, for example, or Air Canada, or similar Crown corporations, would be able to overrule or ignore that public policy of the government of the day?

**Mr. Blenkarn:** Again, Mr. Speaker, I thank the Hon. Member for the question. The problem comes from mixing a business corporation with a social purpose. It is our view that the social purposes, or the necessity purposes of those types of corporations, should be paid for separately by the Government. In other words, if it is a government concept that, for national unity purposes or some other purpose of that nature, it is essential that Air Canada, for example, run a regular service into Baker Lake in the Northwest Territories, then we think that the Government of Canada should pay the cost of that service directly to Air Canada as a fee for asking the corporation to perform that service. That particular service should not be cost subsidized, because when you do that, you allow management to duck away from its responsibility. They can always say, “Well, you know, we didn’t make any money because we had to run this unprofitable service”. You never get down to how unprofitable that service was or why they did not make a profit. That type of service ought to be charged for and paid for as if it were a commercial service run by the commercial operation that the Crown corporation should be.