

Dollar Items

estimates. On that occasion, sir, you found that the practice was procedurally acceptable. As far as we are concerned, to be procedurally acceptable, and to be proper and morally correct, are two different things. It is very interesting to note that in your decision, as reported at page 14795 of *Hansard* of June 22, you stated:

—it would have been preferable for such a matter as this, which involves not only money but a question of principle, to have been brought before the House in the form of a bill in order to allow hon. members to address themselves at one and the same time to the question of whether or not money should be voted to set up a lottery, and, further, to whether or not in principle the federal government should be involved in a scheme of this sort at the present time.

This is the salient point:

Nevertheless, what I have to decide is not whether it is a desirable course, but whether it is a legal course in terms of our procedures.

You, sir, have recognized the impropriety, perhaps not the illegality, of proceeding in that direction. The creation of Crown corporations by a \$1 vote is exceptionally dangerous. We already have a proliferation of Crown corporations in this country. When we couple that with the ability to convert Crown corporation debts into equity, the present administration has obtained the power to create a corporation, grant it a loan and then write off the loan by converting it into equity, all without any legislation and without the matter ever coming before this House. Power of this extent is not only a licence for abuse: it is, indeed, an enticement to abuse.

Mr. Baker (Grenville-Carleton): Hear, hear!

Mr. Mazankowski: Is it any wonder that we are now in the process of reviewing very thoroughly the operations of Crown corporations? Some of them are, indeed, undergoing a penetrating examination. The Auditor General has stated that the control and managerial practices of some Crown corporations are weak and in many cases inadequate. The whole question of accountability comes to light. Is it any wonder, when we consider the attitude of this government in terms of its accountability to parliament? Is it any wonder that we have Crown corporations behaving in a less than acceptable fashion? What they are doing is following the standard that has been established by this government. How can we expect AECL, or Polysar, to behave any differently from the government of Canada?

I could go on and cite other areas of concern—the question of loans, loan authority, guarantees, and the treatment that is provided to Eldorado Nuclear, something tantamount to a blank cheque. There are many questions which come to light in connection with that particular vote, and my colleagues will be dealing with that. There is the question of write-offs and debt deletions, the question and the principle of employing \$1 item to write off the massive debt of the St. Lawrence Seaway. We witness the creative use of the \$1 vote. The government has, in effect, written off a \$625 million debt by deeming, with the wave of an accountant's wand, the debt to be equity. The danger is that by allowing this kind of conversion it is conceivable that any government entity owing money to the consolidated revenue fund could arrange to have its debts cancelled in this same way.

[Mr. Mazankowski.]

At the outset I said that the estimates were misleading and in some cases constituted misrepresentation. When we look at the estimates, it is stated that the amount requested is \$929,675,111. This does not reflect the potential cost to Canada of all items included in supplementary estimates D. When one considers all contingent liabilities which could be established under these estimates, clearly the total commitment will exceed \$2 billion. For example, I think of contingent liabilities established in votes to do with the Eldorado Nuclear, to do with Industry, Trade and Commerce vote 1d, of subparagraphs (b) and (c) of the export development guarantee, and of the item governing Via Rail Canada.

● (1530)

We are concerned about this government's practices and the continuing erosion of parliamentary authority in voting funds for government expenditures. The increasing practice of avoiding parliamentary approval through misuse and abuse of the estimates has raised deep concern about parliament's ability to carry out its traditional function and remain an effective guardian of the public interest and controller of the public purse. As I said earlier, at this time in our history when public cynicism and mistrust for our institutions is growing, this government's actions in running roughshod over the principles of representative democracy shock most Canadians.

Unless there is an honest and open demonstration that parliament has the capacity to control and properly account for government spending, the cynicism will not decrease—it will grow. If the cynicism grows, it will foster unrest and discontent in this country, with devastating effects on our nation.

Mr. Munro (Esquimalt-Saanich): It is already doing this.

Mr. Mazankowski: As my colleague says, it is already happening. Mr. Speaker, the institution of parliament and of government will no longer be able to command respect and attention in leading the fight for national unity and social and economic stability. Parliament should be the focal point of national unity.

Some hon. Members: Hear, hear!

Mr. Mazankowski: Parliament should be the major device for controlling the public purse. It should be the key to the preservation of individual freedom and our democratic process. The systematic undermining of the roles, responsibilities and duties of parliament will ensure that the institution cannot perform those tasks so vital to our future. That is why we condemn the government and its actions with all our vigour. We condemn it for its deliberate misuse of the practices, prerogatives and traditions of this institution.

Hon. Mitchell Sharp (Eglinton): Mr. Speaker, yesterday the hon. member for Grenville-Carleton (Mr. Baker) rose on a point of order to protest the inclusion of \$1 items in the estimates. As a former leader of the government, I understood this very well. I have had serious misgivings about the use of those items and was not at all surprised that again, on this