The ultimate purpose of Bill C–263 is to remove the exemption from accountability for the following five corporations: the International Development Research Centre, the Canadian Wheat Board and three other corporations involved in the arts: the Canada Council, the National Arts Centre Corporation and the Canadian Film Development Corporation.

If this bill were adopted by the House, all five corporations would be subject to the provisions of the act. They are exempted mainly because of the specific nature of their relationship with the government. Parliament has, until now, preferred to maintain the arm's length relationship of these corporations.

In 1991, the auditor general commented that many exempt corporations had voluntarily conformed with the provisions of the act. Half of the exempt corporations had asked for a value for money audit. Many exempt corporations had also established internal audit functions and audit committees within their organizations.

These corporations can be allowed greater flexibility in terms of management control. Extending certain provisions of Part X of the Financial Administration Act to the five corporations mentioned in the bill would not necessarily mean eliminating arm's length position in terms of administrative control.

According to the auditor general, there are a number of ways in which the rules can be standardized to make exempt corporations more accountable. One way would be to incorporate the provisions of Part X of the act in the enabling legislation for each exempted corporation, as in the case of the CBC, which remains accountable to Parliament but maintains a large measure of management autonomy, which means it is not subject to management audits by the government.

One could also add these corporations to the schedule to the Financial Administration Act while exempting them from certain provisions of the act. Many exempt corporations already conform voluntarily to many of the provisions in the act, so that any concerns that overly vigorous management audits would be detrimental to the mandate of these five corporations would seem to be exaggerated.

In any case, we will vote against Bill C–263 because it goes too far in terms of controlling the administration of these corporations. It would subject the five crown corporations identified to close supervision involving both their accountability and their control over their management.

We would prefer a more flexible approach, such as the one advocated by the auditor general, who proposes incorporating the requirements selected by the legislator in the enabling act of each of the five exempted corporations, as is already the case for the CBC, as we have mentioned.

Each corporation will have to be looked at individually, after analysis, to discover the best way to make it accountable and establish a level of control in keeping with its particular goals and mission. We will therefore vote against this bill, because it gives the same status to all government corporations, except the CBC and the Bank of Canada.

• (1805)

We favour ensuring accountability by making these corporations responsible for their operations rather than by controlling them, as Bill C–263 would have it. We want to increase their accountability, make them accountable to Parliament and thus permit a better assessment of their performance. We are opposed to unbounded control over the management of these corporations. Three of them contribute to the development of the arts, the fourth, as we said earlier, contributes to agricultural development, and the fifth contributes to international development.

We can provide a proper framework for their operations and, at the same time, show some flexibility in monitoring their management practices; this can also enhance the performance of these corporations and their efficiency.

We are also opposed to the bill as presented because it gives the minister responsible the right to interfere in the mandate of cultural agencies. Such agencies must be accorded greater flexibility in their activities.

Bill C–263 does not resolve the issue of the accountability of crown corporations since, as the auditor general himself has said, several non–exempt corporations do not comply with this principle of accountability, even if they are subject to it. They do not respect all of the accountability requirements prescribed by law.

This bill increases only slightly the accountability required of crown corporations. It seems to us that other means could be used to hold these crown corporations accountable for their results to a greater extent. This does not mean passing legislation. The auditor general's input can be extremely helpful in evaluating their results. Likewise, the fact senior executives of such corporations must appear before standing House committees, such as the public accounts committee, to account for their management, serves as a powerful incentive to produce the required reports and present documents of higher quality.

We favour this type of approach since it seems more effective to us than new legislation.

[*English*]

The Acting Speaker (Mr. Kilger): Before the member proceeds with his intervention, on the basis that the mover of the motion spoke to his motion and the next two interventions were