to work. It does not want to change programs to help children out of poverty. It does not want to change programs to ensure that people have a greater opportunity. It simply wants to slash the programs.

Mr. Speaker, that is not the way Liberals do things.

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[*Translation*]

CANADIAN NATIONAL

Mr. Michel Guimond (Beauport—Montmorency—Orléans, BQ): Mr. Speaker, my question is directed to the Minister of Transport.

As the Auditor General continues to reveal cases of wasteful spending in the federal government, we learn that the president of CN, Mr. Paul Tellier, who receives an annual salary of $345,000, in addition to an annual allowance of about $52,000, received from his employer an interest–free loan of $432,000 to buy a house for which he paid $345,000, when he was transferred from Ottawa to Montreal.

Does the minister feel that at a time of budgetary restraint, it was appropriate for CN to grant Mr. Tellier an interest–free loan of $432,000 without a mortgage guarantee, in order to camouflage this transaction?

[*English*]

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, the arrangement the hon. member has alluded to with respect to the interest free loan is not one that comes directly under the responsibility of the Government of Canada. The remuneration for the president of CN is a matter for the Government of Canada and it is set by order in council.

With respect to any arrangements for the financing of a home, that is a matter between the president of Canadian National and the board of CN.

The hon. member knows this is a precedent which has been set over a number of years with CN. It also occurs quite frequently in the private sector.

[*Translation*]

Mr. Michel Guimond (Beauport—Montmorency—Orléans, BQ): Mr. Speaker, as far as I know, the Canadian government is the sole shareholder of CN. Since the loan to Mr. Tellier is $87,000 more than the price he paid for the house, does this mean that CN also lent this money interest–free and without guarantees, so that Mr. Tellier could spend it on redecorating the house?

[*English*]

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, as I indicated, the practice at CN which is a crown corporation is compatible with what has gone on in the private sector. There is also precedent at CN.

With respect to the question dealing with the evaluation of the property, I will see if we can clarify the situation and find out if it resembles in any respect what taxpayers have to do with Mr. Parizeau's home in Quebec City.

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AUDITOR GENERAL'S REPORT

Mr. John Williams (St. Albert, Ref.): Mr. Speaker, I was shocked, as I am sure you were, to read in the Auditor General's report that the national defence department is the only department that keeps track of the implementation of the Auditor General's recommendations and it implemented only 56 per cent of the 1990–92 recommendations.

My question is for the Prime Minister. Will he ensure that each government department from now on will comply with the Auditor General's recommendations to ensure that the taxpayers get fair value for the money they pay to this government.

• (1435)

Right Hon. Jean Chrétien (Prime Minister, Lib.): Yes, Mr. Speaker.

Mr. John Williams (St. Albert, Ref.): Mr. Speaker, last year the Auditor General pointed out a tax problem that cost Canadian taxpayers more than $1 billion. This year the Auditor General has identified potential savings in excess of $1 billion again, including one point where over 10 years we spent $1 million to design a boat that was never built.

Can we be assured that all of the recommendations of the Auditor General will be implemented forthwith so that from now on we know that we will never see the type of report coming out again that shows waste and mismanagement right across government?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I understand that the very diligent minister of fisheries oversaw the final phase–out of the project.

[*Translation*]

Mr. Richard Bélisle (La Prairie, BQ): Mr. Speaker, my question is directed to the Minister of Finance.

In his report tabled today in the House, the Auditor General indicates that tax revenues totalling $6.5 billion have yet to be recovered by the federal government, in addition to accounts receivable totalling $1 billion for the GST.