

*Financial Administration Act*

an Broadcasting Corporation when there were no radios and no communication.

What the federal Government and indeed every government must do is to review from time to time our use of Crown corporations to see whether they are still valid and needed, whether the purpose for which they were originally created is still a valid purpose. I think of the CBC, for example. It is now only one of the communications companies in Canada using radio and television. I wonder, perhaps the Hon. Member for Algoma (Mr. Foster) ought to wonder, why we have to spend \$900 million this year to keep the CBC alive when the late Lord Thomson of Fleet said that to own a television licence was a licence to print money.

When we look at these corporations we have to look at them in that cold, hard light. Canadian National Railways was necessary in order to have a national transportation system, but is it necessary to have whirling restaurants in the sky in CN Tower Limited? Is it necessary to have hotels spread across the country? Is it necessary to have a hotel organization which, according to my calculations, produces a profit of 1.36 per cent on money invested? The Minister says you have to add certain interest attributable to that investment and so on. He thinks he can get it up to a 5.5 per cent return on investment. He says further that some of those investments are managed by the Hilton Hotel chain. Without the hotels managed by Hilton, the return on an investment of \$137,812,000—which is the book value, not the real value and land and premises—is \$93,000. That is what we make, except for the help of the Hilton. We must have a review of this. This Bill on that issue deliberately prevents Parliament, indeed prevents the Minister, from getting down to brass tacks on where we are going.

Let us look at some of the purposes for which the Crown corporations have recently been created. In the past they were created to fulfil needed government services. That is not entirely the case today. Crown corporations now seem to be incorporated because this Government wants more interference in the private economy, it and its bureaucrats want to be businessmen.

Parliament was forced to incorporate Canagrex. Parliament has seen the Export Development Corporation grow from an organization designed to insure and act as a re-insurer for accounts receivable for exporters of Canadian goods into a monster-lending organization. It looks after its friends only. We see the same with the Northern Transportation Company. It uses its leverage in the north to put out of business or deprive from getting ahead private corporations in that field. Is this the purpose of a Crown corporation? If so, that purpose has to be questioned.

More dangerous perhaps is the nationalistic idea. "We are government and we can run things better than the businessmen". Therefore, the Government decided to get into the oil business. According to this year's estimates, we have to pay our oil company \$520 million. Every other country with an interest in an oil company receives dividends; we get the bill. Only in Canada!

We have Teleglobe Canada in the communications business. Does it have to be a Crown corporation, or should it be in the private field? Is it only there because of nationalistic reasons, namely that Government civil servants want to own an active business? Is that the reason we have Canadair and de Havilland? For whom do we build executive jets? Is it for Ministers to toot around the country, former civil servants or former employees of Petro-Canada who have now become chief executive officers of the CDIC? Is it so that they can travel around the country in their own private jet? Is that the reason? Is it for the development of Canada or is it because these fellows want to run businesses? They could not get into business on their own, so they use the taxpayers' money to do it. A great deal of concern has to be expressed by all Members at all times about where we are going with these corporations.

We have a task force on Crown corporations that is working on the issue. It is trying to clarify where we, as a nation, should be going with this concept of Crown corporations and Crown-owned businesses. I want to go over some of the recommendations that have come out of that task force. I will read them into the record as they are and then go over them and point out how this Bill is so deficient that even on the preliminary recommendations of that task force, we could not support it. First of all, a Crown corporation should be there to rationalize and clarify the Government's relations with Crown corporations based on a return to a system of effective and individual ministerial responsibility. The key words are "individual ministerial responsibility".

● (1530)

The second principle is that there should be a classification system for Crown corporations based on the extent of a corporation's reliance on government financing and its role in implementing public policy objectives. There have to be different strokes for different folks. The schedule system in this Bill does not show that at all. A lottery company is mixed up with VIA Rail. Why we are in the lottery business God only knows! Where does the public purpose, public financing and the need for financing come in? Do we have to pour money into the lottery company?

Third, stringent measures must be there to restrict the incorporation of Crown corporations and the acquisition of Crown corporations and their subsidiaries, and new Crown corporations should only be created by a special Act of Parliament.

Fourth, there must be a requirement that three to five-year business plans be filed and tabled with Parliament and examined by Parliament and its committees.

Fifth, there must be a real clarification of the role of Auditor General in auditing Crown corporations and of his relationship with private sector auditors and the extent to which auditors are entitled to audit, explain and get into the meat and bones of a corporation to find out why it works in certain ways.

Sixth, there must be an improved accounting procedure so that the accounting procedure of a Crown corporation is