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particular public policy objectives, with Conservative Governments being particularly active, when it came to creating many of the Crown corporations whose very existence the Leader of the Opposition is attacking today.

For example, in 1932 the Conservative Government of R. B. Bennett created what is now the Canadian Broadcasting Corporation. That same Government created—and I am sure my hon. friend may not be willing to have it recognized now—the Bank of Canada, so often the subject of question and comments by Members of the Opposition. The Diefenbaker Government created the Farm Credit Corporation.

It would seem to indicate that all of those Conservative Governments which had a mandate from the people to form a majority Government and had the brains to be able to manage their affairs to stay in office used Crown corporations as an essential instrument of national policy.

What about the efforts in this regard of provincial Governments? My hon. friend has said nothing about the recent activities of the Alberta Conservative Government in creating the Alberta Energy Corporation and in purchasing control of Pacific Western Airlines. He said nothing about the recent activities of the Ontario Government in creating the Ontario Energy Corporation and the Urban Transportation Development Agency. The Conservative Government in Ontario I am sorry to say has been there for 40 years under successive administrations, each of which has set up new Crown corporations for public policy purposes.

Do Opposition Members in the Ontario legislature play a more active and complete role than they do in this House when it comes to reviewing the activities of Crown corporations? I do not think so. Do Opposition Members in the Alberta legislature play the kind of role sought by the Leader of the Opposition in reviewing Crown corporations?

Mr. Clark: Liberal Opposition Members don't in Alberta.

Mr. Gray: They certainly do not.

Some Hon. Members: Hear, hear!

Mr. Gray: When an NDP Government was in office in Saskatchewan, I doubt very much whether members of that legislature, on the Government or Opposition side, played the role sought by the spokesman for the NDP in reviewing the activities of Crown corporations. What we are proposing in Bill C-123 goes far beyond what is available to members of the legislatures, on both sides of the House, in the Provinces I mentioned which have been particularly active in recent years in creating Crown corporations.

Getting back to Bill C-123, the Government has announced measures which would ensure that wholly-owned corporations are more aware of Government priorities. In that Bill, the Government is proposing that the Governor in Council be given the same rights and powers of direction as may be exercised by the sole shareholder or proprietor of a private-sector company incorporated under the Canada Business Corporations Act. In addition, the Government announced the institutionalization of the concept of an annual shareholders'

meeting whereby each appropriate Minister as the trustee shareholder would meet annually with boards of directors to formally review the Government's performance and to communicate specific Government objectives to the boards. Of course, the informal communication which now exists between appropriate Ministers and wholly-owned corporations will continue. The proposed shareholders' rights provision in Bill C-123 also involves prerogatives with respect to approval of corporate by-laws, the election and removal of directors and the appointment of auditors.

Although the Government already has similar authority under the constituent Acts of many of its Crown corporations and with respect to all wholly-owned corporations created under the Canada Businesses Corporations Act, the proposed amendment would allow a consistent standard that is in accordance with private sector practices to be applied across all wholly-owned corporations.

• (1620)

As indicated, Mr. Speaker, in the policy statement tabled with amendments, to Bill C-123, the Government will seek to improve its use of existing authorities contained in constituent Acts of Crown corporations and the Financial Administration Act. This action, coupled with the proposed amendments and complementary administrative measures, as I have said, comprises a package designed to address very important issues which have been raised regarding Crown corporations. This approach has taken into account the balance which must be achieved between ensuring that corporations perform in a manner consistent with their role as instruments of national purpose, that they can be held accountable for their performance, and that they can be directed when necessary, while at the same time recognizing that a need exists for a flexible relationship which allows corporations to operate effectively in a corporate form, manner and milieu in accordance with sound business behaviour and practices.

Now, Mr. Speaker, as Hon. Members are aware, the Government's wholly-owned corporations vary in many ways. At one end of the spectrum are those corporations totally dependent on appropriations by Parliament for the financing of their day-to-day operations. At the other end are the commercially-oriented corporations which are financially self-sufficient and pay dividends to the shareholder. There are some corporations which have only a handful of employees. There are others whose employees number in the thousands, and, as has been pointed out, several whose employees number in the tens of thousands. The wholly-owned corporations' head offices are located in a number of Canada's regions. In all, these corporations are important contributors to Canada's economic and social development through their actions across major industrial, financial and service sectors.

The Financial Administration Act was approved by Parliament in order to provide a foundation for the financial administration of the Government of Canada. Part VIII of that act, as I have said, applies solely to Crown corporations