

Private Members' Business

similar to the regime that is now in place for the CBC which is different from some of the others. I can and do support that general principle.

Bill C-263 however, while moving these corporations in the right direction, contains certain fatal flaws which I suggest would preclude my support for it today. I urge hon. members not to support it.

[Translation]

The most serious flaw is that the bill does not recognize the need for a thorough review of the mandates given to these corporations in order to develop an appropriate accountability framework, without the appearance of unjustified political meddling in sectors where a certain level of independence from the government is in the public interest.

[English]

For example, part X contains sections which provide for a directive power for government to override decisions taken by crown corporation boards of directors. This could be construed as a fundamental change in the traditional approach of successive governments allowing cultural crown corporations the freedom to engage in decision making affecting artistic merit or research matters. This issue was thoroughly reviewed in the debates and committee hearings on Bill C-24 back in May and June of 1984.

Looking forward, I see merit in exploring better ways to ensure accountability for the crown corporations named in this bill. Subject areas such as auditing, corporate governance, financial management and control, corporate planning, reporting to Parliament and borrowing plans have been very thoroughly addressed in part X of the Financial Administration Act and have resulted in a system which the Auditor General noted is working well. The hon. member acknowledged that in his speech.

This system can probably be further modified to meet the special circumstances of the majority of exempt crown corporations. Whether this is best achieved through a series of initiatives amending existing enabling statutes for each of the named corporations in question requires further study.

I am informed that discussions have already occurred with some of these corporations as to the best way of achieving this.

[Translation]

I have no doubt that additional efforts will be invested to improve the accountability system while giving exempt crown corporations the appropriate level of freedom that Canadians will continue to perceive as being in the public interest.

[English]

As this bill stands I cannot support it and do not recommend it to the House.

[Translation]

Mr. Richard Bélisle (La Prairie, BQ): Mr. Speaker, the purpose of Bill C-263 is to amend the Financial Administration Act and other acts in consequence thereof.

As you know, these five crown corporations are now exempted from this act. The Financial Administration Act is a very broad law which deals among other things with the running of Treasury Board, public funds, public spending and the public debt.

This act was amended 58 times between 1985 and 1994, an average of once every two months. I will not go as far as saying that there has been a lack of consistency in the Financial Administration Act in the last decade, but the least that can be said is that a flood of legislative amendments were adopted to adjust to a so-called changing environment.

There are currently almost 50 crown corporations in Canada. The overall budget of these corporations is close to \$5 billion and together they employ 115,000 people. Their economic impact is therefore considerable.

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Although relatively autonomous with regard to their management, these crown corporations are ultimately accountable to Parliament through the minister responsible. These crown corporations' management framework, established in 1984, comes under Part X of the Financial Administration Act.

These crown corporations are accountable; they must submit an annual corporate plan to the minister responsible. They must also submit an operating budget approved by Treasury Board. They must prepare an annual report, that is, the required financial statements and statistical data showing to what extent their goals have been achieved.

Finally, each corporation must conduct internal audits. The corporation's auditor also carries out a special, more comprehensive audit every five years. However, seven corporations are exempted from these legal requirements.

Bill C-263 maintains the exemption granted to the Bank of Canada, which keeps its independence at the management level and may, for example, pursue its monetary policy whatever the government in power.

Bill C-263 also maintains the exemption already enjoyed by the CBC. In any case, the corporation is already subject to the accountability principle—internal and special audits, annual report and corporate plan—through the Canadian Broadcasting Corporation Act which reflects the provisions of Part X of the Financial Administration Act.