

*Oral Questions*

[English]

IMPLEMENTATION OF RECOMMENDATIONS OF AUDITOR  
GENERAL

**Mr. Bill Clarke (Vancouver Quadra):** My question is for the Minister of Finance, Mr. Speaker, as one of those who signed the public accounts which we tabled yesterday. I would like to ask the hon. gentleman this: since the fifth report of the public accounts committee which was tabled in the House in 1976 endorsed the 41 recommendations of the report of the study of the accounts of Canada, why is it that the Auditor General now reports that six of those recommendations, including one requiring parliamentary authority for its implementation, have not been implemented despite the commitment given to the Auditor General last year that this would be done?

[Translation]

**Hon. Jean Chrétien (Minister of Finance):** Mr. Speaker, I want to point out to the hon. member—and he said so himself—that the number of recommendations which have not yet been implemented by this government are lower than the number of recommendations which were accepted. I am sure we are going on in this direction to satisfy him, while taking into account the administrative requirements of the government.

**Mr. Clarke:** Mr. Speaker, I have a supplementary.

Considering the 50 per cent increase in the budget of the Auditor General, I would like to ask the minister when the government will start listening and making his proposals known?

**Mr. Chrétien:** Mr. Speaker, I think we changed our procedures quite a lot following the recommendations of the Auditor General, and we intend to continue to do so but we may not be able to satisfy him 100 per cent. There are ongoing discussions between the Treasury Board and the Auditor General. We established a new office inside the government at his request, namely the office of Comptroller of Government Expenditures. We followed a very important recommendation of the Auditor General. We increased quite considerably his staff and I think that relations between the Auditor General and the government are very good at the present time.

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[English]

## HOUSE OF COMMONS

## PRESENCE IN GALLERY OF FOREIGN MINISTER OF TURKEY

**Mr. Speaker:** Order, please. Before continuing the question period, may I ask hon. members to join with me in signalling the presence in our gallery of a very distinguished visitor on an official visit to Canada, His Excellency Gunduz Okcun, Minister of Foreign Affairs of Turkey.

**Some hon. Members:** Hear, hear!

[Mr. Chrétien.]

## URBAN AFFAIRS

## LOANS FOR LAND BANKING PURPOSES

**Mr. Bob Rae (Broadview):** Mr. Speaker, I have a question for the Minister of State for Urban Affairs: it concerns a decision on the part of the federal government, announced on September 9, 1978, to cut off loans for land banking purposes in accordance with the report submitted by Mr. Greenspan.

Why was this decision to end the land banking loans, particularly as they affect the city of Toronto, made at a time when the Greenspan report dealt only with suburban land banking, not with inner city land banking?

**Hon. André Ouellet (Minister of State for Urban Affairs):** I am aware of the particular problems surrounding land assembly in the core of the city. It has been suggested that a program should be established to facilitate the infill, and we are looking at the situation at the present time.

● (1422)

**Mr. Rae:** Mr. Speaker, I am delighted to hear that the minister is taking these steps, but I would like to know more precisely what he has in mind. As he may be aware, the commissioner for housing of the city of Toronto submitted a report to the Toronto city council. That report was approved on October 10, 1978. It was a scathing indictment of the actions of Central Mortgage and Housing Corporation for cutting off land banking without any warning and without any advice being given to the city of Toronto. Was the minister aware that this threatens further development of a housing site which is currently being developed for some 700 housing units?

**Mr. Ouellet:** Mr. Speaker, I think that the provinces and municipalities will have to acknowledge that they cannot have it both ways. If they resent federal government intervention, particularly in land assembly or any other activities in relation to municipal infrastructures, they cannot claim that the federal government should pull out of some of their activities and then come back and say that they did not receive warning and, therefore, the Government of Canada should not have done so.

I believe that the federal government has taken the decision that we will no longer be part of buying land and we will let provincial and municipal authorities engage in that if they want to.

**Mr. Rae:** Mr. Speaker, I am sure that if municipal authorities had taxing power, it would be possible to take the minister's remarks seriously. But until they do, they cannot.

**An hon. Member:** What about property taxes?

**Mr. Rae:** Will the minister at least guarantee that he will look very seriously at the possibility of maintaining the current land banking loans of \$30 million and allowing the city to repay those loans into a fund which could then be rolled over and used for future developments? Will the minister at least consider that proposal?