

*Canagrex*

had the opportunity to make some contribution to the drafting of the bill rather than leaving it to the bureaucrats.

Since I have been here I have found that bureaucrats seldom have a real insight into what members want in a bill. I am not speaking only of members of the opposition but of members of the government as well. The official opposition has concentrated its attack on the ability of Canagrex to take an effective part in agriculture. The actual sale of goods or the ability to stockpile, if you wish, to purchase and to sell certain products might have a detrimental effect on agriculture. That is the basis of the official opposition's position.

The official opposition has also suggested that it does not want such a corporation to be able to dictate prices, establish quotas and so on. There is some inconsistency in the position of the official opposition. It shows up again in a speech made by the hon. member for Elgin who said:

One of the major problems facing Canagrex will be its effectiveness in view of its very limited budget and staff.

He went on to say:

However, with these massive reductions from the minister's own personal assessment of minimum standards for Canagrex, I wonder whether the corporation will be able to perform adequately the role laid out for it in Bill C-85.

The danger expressed by the hon. member in that speech is that Canagrex is not big enough. Since that time, we have had a number of approaches by the opposition. We have heard them say that Canagrex is too big or that it might get too big.

Again, a whole area of concern, not only of the official opposition but of members of the government and members of my party is the accountability of Crown corporations. This is not limited only to Canagrex but to all Crown corporations. Here I must give the official opposition a great deal of credit because its members stuck to the point. If we had been able to take part in drafting this bill, we may not have had to go through weeks of meetings concerning it.

As I said, members of the official opposition stuck to the point and, along with members of the government and members of my party, we have been able to create through this bill a corporation which will be the most accountable of all Crown corporations, certainly of federal Crown corporations. A lot of provincial corporations need this kind of accountability.

I want to go through just a couple of the clauses in the bill which point out the accountability. First let me refer to Clause 14. This is a somewhat controversial clause as you can see from the number of amendments put forward, Mr. Speaker. Those members who were in the committee hearings will recognize that it continually caused controversy because it lays out the powers and purposes of the corporation. Within it, in its present form, it has several limiting clauses which make it impossible for Canagrex to strike out on its own. It also limits the purchasing of property so that it can only make purchases for certain uses.

These clauses were proposed, or at least forced to some extent, by the official opposition. It should be noted that Clause 14 (1) makes provision for the credit union system to be part of the financial structure of Canagrex. We thank the minister for this concession which was welcomed by the credit

union system in Canada. Second, Clause 29 provides financial controls which has the corporation report to the minister and have its account audited by the Auditor General. It further allows the Auditor General to proceed with a comprehensive audit when he deems it necessary. This would guarantee a referral not only to the Auditor General if he makes that decision, but to the minister, eventually to the Standing Committee on Public Accounts, and then back to Parliament. This is much more accountability than is required by any other Crown corporation in the federal structure, and there are some 400 of them. Lately the need for such accountability has been well pointed out, highlighted rather thoroughly, and underlined by a rather damaging report which was tabled not too long ago by the Auditor General in his partial comprehensive audit of the Canadian Dairy Commission. I think it might be interesting to make some comparisons between Canagrex and the Canadian Dairy Commission.

● (2110)

In order to be fair to Canagrex, I suppose I should review a bit of what happened to the Canadian Dairy Commission since it began. It has been subjected to three investigations on aspects of its operations in the past 19 months. There has been a report from Mr. Justice Gibson, an arbitration report from Mr. David Kates and a comprehensive audit by the Auditor General. These are the kinds of things which can happen to a Crown corporation if it does not have built into it the kind of accountability and security which I hope will be built into Canagrex.

Essentially these reports said the same thing about the operations of the Canadian Dairy Commission, namely, that there was little in the way of effective management for operating procedures to ensure that the Canadian Dairy Commission performs effectively. In the drafting of the Canagrex bill some of these things were taken care of by the very fact that they will have to be referred to the Auditor General and then back to the minister.

Our party supports orderly marketing. We want supply management to work well where it has been established, but we have some difficulty supporting the workings of an agency which has performed as badly as the Canadian Dairy Commission. If we are to have the kind of agency that we can accept, we must be sure that it will have the kind of accountability that makes it work well.

I should like to refer to three other sections of the act. Clause 31 requires that the corporation operate according to a three-year plan. Clause 40 requires an annual report which will be referred to the minister and then to the Standing Committee on Agriculture. Clause 41 requires that the act will be referred to the House for review after five years. I hope these sections will make this particular agency much more acceptable and much more accountable to Parliament.

**Hon. E. F. Whelan (Minister of Agriculture):** Mr. Speaker, I must say that the hon. member surprises me by the shortness