

*Export Development Act*

Export Development Corporation. It is that concern which prompts the Hon. Member for Mississauga South (Mr. Blenkarn) to bring forward his amendments with respect to the legislation.

It is not and should not be the role of Government to continue these high level subsidies. It should be the role of Government to assist where assistance is needed. It is a matter of some regret that the distinguished Minister would not in fact accede to one or two of these points in principle and effect that acceptance by way of further changes in his approach to this piece of legislation.

**Mr. G. M. Gurbin (Bruce-Grey):** Mr. Speaker, I am pleased to add my comments in support of Motions Nos. 3 and 5 which were brought forward by the Hon. Member for Mississauga South (Mr. Blenkarn) and to those just made by the Hon. Member for Dartmouth-Halifax East (Mr. Forrestall).

The question that should be addressed immediately as we look at Bill C-110 is whether or not we are for or against international trade. It should be made perfectly clear that no one on either side of the House is against increasing Canadian trade as far as possible and reasonable in an economic sense. A previous speaker indicated that at present we have around 3 per cent of the international trade market, whereas a short time ago we had nearly 6 per cent. Obviously there has been a decline relative to other countries, despite the fact that all countries face the same serious economic recession.

I have three main points which I would like to make. In contrast to questioning whether or not we are in support of or against trade, I think the essence of the entire Bill and in fact the motions is the question of accountability. In their own ways many speakers have addressed this specific point. Technically the motion limits the amount of money the Export Development Act would allow to be spent without Parliament having to be consulted again.

In the Bill before us the agency is required to have a one in twenty capital case. We are suggesting that that is too high, that it should be one in ten. In addition, we are suggesting that the capital base should in fact be a real one, not one that is just promised by Government. In other words, the Government would have to put its money where its mouth is and infuse those funds directly into the agency. Those are two valuable recommendations in an effort to try to make the agency more accountable, although I would have to admit much less accountable than it should be to Parliament and to the people who, in the end, are responsible for the disbursed funds.

The total amount represented by the Bill would be \$62 billion of additional financial ability on the part of the agency. It will take several different forms, but I think the total amount is staggering. We are discussing \$62 billion and will probably be finished with the Bill in several days. Then, as elected Members of Parliament, we will never have an opportunity to address it again and Canadian taxpayers will be responsible for those funds in one way or another.

One of the most pungent comments on the accountability factor was made by the Auditor General in his report of 1982.

Many references have been made to it in this debate, but I would like to quote one particular comment:

In the majority of Crown corporations audited by the Auditor General, financial management and control is weak and ineffective. Moreover, co-ordination and guidance by central government agencies of financial management and control practices in these Crown corporations are virtually non-existent.

According to the Auditor General of Canada, control and direct responsibility are non-existent. He made several recommendations in general about Crown corporations and their impact on the Canadian economy. It is indeed difficult to deal with something we are expected to understand and manage at arm's length without becoming directly involved in the day to day operations, losing control once we appropriate funds and give the initial legislative authority.

Also according to his report, the Auditor General suggested:

Parliament is becoming further isolated from an increasing portion of government activities. The growing practice of using Crown-owned corporations to conduct a widening range of government activities has so strained the capability of the existing accountability framework that Parliament may not be able to exercise its fundamental responsibility for overseeing receipts and expenditures of public funds.

Also he suggested:

Parliament should give attention to issues surrounding control and accountability of those mixed enterprises and other entities and associates in which the Crown is a shareholder.

He suggested a number of other things which expand on the basic principle that we should make every effort to involve Parliament in the activities of Crown corporations.

There are numerous specific examples which could be quoted when we are trying to make the case for accountability. Over the past year we have probably had more than our share of these examples. All of us can relate personally to the things that have happened. One of the most interesting examples occurred at the end of 1981. There was an awareness of the activities involved in supporting Consolidated Computer and of the fact that the firm sold its assets for \$100,000 when in fact the Government had loan guarantees of \$125 million. That was a significant loss. Another example which has received high public profile lately is the Government's involvement in Canadair. To date we have a financial commitment of \$1.836 billion. This figure is composed of a \$46 million purchase price and loan guarantees of \$1.35 billion, with an equity infusion not too long ago of \$440 million. The Canadair story is well known so I will not expand on it.

Another example is the involvement of CIDA when it spent \$1.4 million on a fisheries vessel which was supposed to cost only \$308,000 to purchase and to refit. The Government of Columbia refused to accept the vessel after it had been refitted at the cost of \$1.4 million because it was found unsuitable for its purposes.

In February, 1981 CNR, another Crown corporation, spent \$66,000 to purchase advertising space to wish CPR, its chief competitor, a happy birthday. That is a small figure compared with the Canadair figure, but these specific examples give us a sense of the kind of management that exists in Crown corporations and the way public funds appropriated to them are being disbursed. While it may not be a large sum in the total