

Export Development Act

chairman of a corporation and I happen to be the president, it could be very convenient for me to design policies.

The Acting Speaker (Mr. Corbin): Order. I regret to interrupt the Hon. Member but his time has expired. He could continue with the unanimous consent of the House.

Mr. Thomson: Thank you, Mr. Speaker, but I can address this point later in the debate.

Mr. Scott Fennell (Ontario): Mr. Speaker, we spent a great deal of time in committee on this Bill. The Minister came to the committee and was very co-operative. As my colleague mentioned, he agreed with many of the points in this amendment.

I wish to raise a point that I raised in committee as a result of the committee's hearings on Canadair and de Havilland. At one point last spring the vice-chairman of Canadair came before the committee. He stated that the unfortunate circumstance which occurred in that organization was because the Deputy Minister led the board of directors and they accepted any wish that he had. He had lived through a very damaging situation in a Crown corporation. His point was that public servants should not be on the board of directors but should be at the call of the board of directors. That is one point in which we believe. When you have a board with a large number of political appointees, which I acknowledge is tradition in this country, and a Deputy Minister who is working day in and day out with the problem, that board will listen to the views of the man on the job.

Dealing with the first part of this amendment regarding the chairman, this is not disparaging to the current chairman and president of the corporation, who has done an excellent job of running the Export Development Corporation, but they are two separate jobs. The president is the chief executive or chief operating officer and the chairman is responsible for monitoring progress and what is transpiring in that corporation. The chairman should be appointed by the board of directors and the members of the board of directors are appointed by the Governor in Council. The chairman, in turn, should be a second voice who can report to the Minister so that he would not depend only on information being fed to him by a public servant.

I believe the amendment is sound. It would satisfy the fears of the Canadian public with regard to Crown corporations. At least they could see it was not a bureaucracy running the organization and judging its own performance.

● (1210)

That is the first part of our motion. I touched on the second part previously. I have a strong feeling, and the Minister is aware of this, that public servants should be at the disposal of the board of directors whenever they have a meeting, but the directors should sit in judgment of the performance of that organization. It would not be putting the organization down; it would be putting in a second level. It really is staff versus line. I think this is something that the Government should do

so that we do not always have to refer everything to the Auditor General because it has gone awry.

I believe, as mentioned by the Hon. Member for Calgary South (Mr. Thomson), that there are some very fine men in this country. There are a great many fine people like Jack Armstrong. I do not know, but I believe that many of those people are apolitical. I believe that many times they are with the Government in power and many times they are against it. I believe there are a great many talented Canadians who would be delighted to serve their country by acting on the board of directors of Crown corporations. It would give them a great feeling of purpose. I believe those people could sit in judgment and could offer wise advice to the Minister about anything that may not seem to be 100 per cent.

The Minister is aware that there are three parts in the Export Development Act. There are general loans and then there are what I call the marginal loans, guarantees and insurance. The granting of some of the marginal loans are political decisions. They are not really decisions to be made by the board of directors but the board of directors could have this explained to them.

The reason I am trying to make these points, Mr. Speaker, is that I feel that to be competitive in this world which has become so much smaller, we must have the best people overseeing and operating our Crown corporations, particularly the EDC. Because through the EDC, Canada can make its mark in world markets. We must all acknowledge that so many countries subsidize their manufacturers in different ways. This is one method that is acceptable throughout the world economy.

Further, we have responsibilities to Third World countries, and I will deal later with how they are accounted for.

I understand the Minister has taken note of what we discussed in the committee. Rather than cutting this down, I will endorse our Party's position. Possibly the president and two of his assistants should sit on the board of directors and 12 other members should be picked from the private sector. The number of members has been increased from 12 to 15. I do not understand the purpose of that other than perhaps for regional reasons. I can accept that because that is important in Canada.

I cannot say that I am against treating a fine retired public servant who is in the private sector the same way as Jack Armstrong. However, I really believe that we want a cross-section of talent from across the country, people who understand the implications of trade, both international and domestic, so that they can be of benefit to the Minister and the Minister can fulfil his mandate to the Canadian public in a proper and acceptable way.

The last matter I wish to discuss, Mr. Speaker, is the matter of the vice-chairman. I believe that the vice-chairman should also come from the private sector. The vice-chairman would act only in the absence of the chairman. I would also like to include a further condition. In the absence of the chairman or the vice-chairman, a member from the private sector on the board of directors would be appointed as an interim chairman.