

task of reviewing the operations of the Enterprise Development Program as it relates to the automotive industry.

Another recommendation dealt with the order to increase automotive research and development in Canada. Mr. Simon Reisman said the government may wish to consider limiting the amount of R and D payments to foreign affiliates which may be deducted for tax purposes.

The federal government's response to these recommendations was published in March, 1979. I will refer to only one of the responses. The government stated in part that the termination of existing duty remission programs and their replacement by another program required further study. It was acknowledged there were certain possible advantages to the designated vehicle importer proposal which could result in more production and a better regional distribution of automotive activity in Canada. As far as I am aware, this proposal is still being examined.

It seems from the inquiry and the comments of the industry that there is no basic desire that there be a renegotiation of the agreement as it was signed some 15 years ago. However, the members of the Automotive Parts Manufacturers' Association of Canada are suggesting, and I support their suggestion, that some means be found by which the actions which the government takes through the issuance of orders in council be either communicated directly to interested parties, or that notification should be sent to the interested parties when the order in council has been published in *The Canada Gazette* so that there can be full knowledge of each and every case. For example, among the listing of the 115 orders in council to which I have already referred, there were a limited few which dealt with the remission of duties in cases of small companies that were on the verge of bankruptcy. This is a judgment call, and certainly at the moment I do not have any knowledge which would suggest that the judgment call of the government in these cases was not good. Nevertheless, it is a judgment call and it should be open to scrutiny by the public. Granted, as I said earlier, the orders in council are printed in *The Canada Gazette*. Nevertheless, it was abundantly apparent just one year ago after 15 years of issuing these orders in council the interested parties did not have knowledge of changes which had been made by the government, possibly worthwhile, and of direct interest to them.

● (1730)

I would make reference to five of these orders in council which are of some significance. They all deal with relatively large companies—Chrysler, International Harvester, American Motors; two dealt with the Soma-Renault effort in the province of Quebec which subsequently failed.

Certainly inasmuch as the Chrysler action was concerned, no one disputes that it did result in the construction of a \$40-million facility in Canada which would not have been built except for the agreement whereby Chrysler benefited from the remission of duties which obligated it in subsequent years to conform to the ratio under the agreement in total. As a result, the plant was built in Canada.

Automotive Agreement

In the well-known case where, due to a strike, it was impossible for the company concerned to comply with the ratio requirements, once again the agreement on remission of duties ensured that in subsequent years this particular company had to conform to the required ratio performance. There is a point here, of course, that in our rather antiquated system under which we operate on a yearly basis there is no carry-over. I have no idea whether any thought has been given to averaging, but it certainly seems to me that in the two cases I have just mentioned some provision for averaging over a period of say five years would have done away with the problem. In fact, that is what the order in council effectively did.

The point of bringing this motion to the floor of the House is to indicate that the government does use orders in council for what certainly on the face of it to me at the present time are good reasons, but nevertheless by their very nature they are not abundantly evident to the public. Certainly if they are not apparent to those who have the greatest interest in them then they are not evident to the public at large.

Last week I discussed with the chairman of the Public Service Commission my belief that the public servant was there to serve the public, and that this meant giving a little more than a limited answer to the question asked. It means, in effect, ensuring that the person posing a question should receive all the information which the public servant realizes is necessary, in this particular case the explanation of the reasons for the multitude of orders in council that have been approved by the government.

I plead that some means be found whereby in future whenever there is an order in council to be approved of a nature that affects this particular association, an immediate communication of the reasons for the order in council be sent to the interested parties. I further suggest that if there is any suggestion that the order in council procedure be used as a means to relieve some of the problems of the Ford Motor Company, such an idea be communicated first to the public so there can be a reaction to this means of giving a tax benefit to a company, a benefit which, after all, will have some effect on the pocket of the taxpayer in Canada.

I hope I have explained my reason for bringing this motion to the floor of the House. I appreciate the co-operation I have received from officials of the Department of Industry, Trade and Commerce since the item was called for debate at the end of last week. I hope in the future that kind of co-operation will be extended voluntarily to the members of the industry who are vitally interested in this question. Thank you, Mr. Speaker.

Mr. Otto Jelinek (Halton): First of all, Mr. Speaker, I would like to say it is rather strange to be debating a motion of this nature which calls for the publication of orders in council, in this case regarding the remission of duties in the auto industry. The hon. member should know, and he alluded to this fact briefly, that orders in council of this nature are available from the PCO. As the hon. member is a member of the government he should have no trouble in getting that information from the PCO. In addition, *The Canada Gazette* has a list of duty remissions as well, and therefore if they are