

*Financial Administration Act*

I referred at the outset of my remarks, Mr. Speaker, to the general support of this legislation given by the Auditor General, who was frequently consulted by the Government and its advisers in the course of preparation of the Bill. As Hon. Members who have followed this matter closely will undoubtedly surmise, this was not a simple exercise in legislative draftsmanship. Many views have been expressed, and the number and variety of Crown corporations meant that many individual situations had to be taken into account in developing a single, comprehensive approach that would commend itself to Parliament.

I want to say—

[*Translation*]

—and I will say it in French, as one who is responsible for one of our major Crown corporations, that I wish to congratulate the Treasury Board officials who helped prepare this legislation on their concern for consultation, their insight and the excellent job they have done. Personally, I am very pleased that these consultations took place, I am very pleased with the insights I received from Treasury Board officials, and I must congratulate them publicly for their excellent work, all of which has made it possible to introduce this Bill before the Parliament of Canada today.

[*English*]

I want to say in my concluding remarks that after reviewing the final draft of the Bill, the Auditor General wrote to the Prime Minister to say:

I am entirely supportive of this version of the proposed legislation . . . I recollect that last June I wrote you, expressing my concerns about the need for a more effective accountability framework for Crown-owned corporations. I think it therefore only appropriate that I write again now when there is such tangible evidence of action that will help alleviate my concerns.

The Auditor General has written to the President of the Treasury Board and again I quote:

I sincerely appreciate the opportunity to be consulted where the office has expertise in matters such as the proposed Bill to amend the Financial Administration Act regarding Crown corporations. I hope that this sort of cordial and constructive relationship with your office will continue in the future.

I think the version I have discussed with Mr. Clark who is the Associate Secretary of the Treasury Board, goes a long way towards responding to our major concerns as outlined, for example, in Chapter 2 of our 1982 Annual Report. With respect to the auditing regime, I am supportive and hope this Bill finds favour with other Members.

I think Members of the House will share the Government's view that the support of the Auditor General for this Bill is an important reason for its support by all Members of this House. I look forward to it in order that it can go to the committee soon where my colleague, the President of the Treasury Board, can provide more detailed explanations of the Bill and discuss in more detail with all Members of Parliament the fine points of this good legislation.

**Mr. John Thomson (Calgary South):** Mr. Speaker, it is very sad that the Government has chosen to ignore one of the most serious problems that face Canadians today. Crown corporations are a very serious problem. They are insidious and they represent a huge subgovernment. Crown corporations employ

more people than the Government itself. They lose \$4 billion a year. It is not easy to come to grips with this problem and it will never be solved if the Government wants to go through a façade of motions and legislation. It knows as well as anyone that this legislation fails to come to grips with the questions of accountability and control.

● (1250)

An extensive book could be written on accountability and control, all the audit provisions in the world could be introduced and the roles of the directors and officers could be specified, but the problems of Crown corporations will never be solved if there is a lack of political will and intent on the part of the Government to bring the corporations under control. Intent is at the heart of the issue. As long as the Government wants to play games with Crown corporations through political appointments and to create a regime in which no one is responsible, as long as it wants Crown corporations to be responsible to Cabinet, it will never come to grips with the problems because no one is responsible. The Cabinet is collectively responsible, and everyone's responsibility is no one's responsibility.

On behalf of the Conservative Party let me say that we would dearly love to support this piece of legislation. We think it is a serious problem. If the legislation came to grips with only a smattering of the problems, we would support it. The Minister's words were fine-sounding ones. If we could implement what he said in his speech and if the legislation addressed what he said, he would have my blessing and the blessing of the Conservative Party. But the Minister knows full well that his words are empty and are not reflected in the legislation. He knows full well that it is just another smoke and mirrors job, which is so typical of the Government. Why will it not come to grips with the problems? The Government does not have the political courage to come to grips with them; that is the truth.

Time does not allow me to go through the Bill clause by clause to demonstrate its numerous and manifest defects, but we will take it apart in committee. We will deal with it clause by clause in committee. Perhaps we will be able to make enough amendments to give the Bill some substance so that it will come to grips with the problems. Instead, today I will focus on a few general points. In so doing, I hope to demonstrate, first, that the Bill is not what the President of the Treasury Board (Mr. Gray) said in his statement following first reading; and second, when closely examined, the Bill is so full of defects that it represents no improvement whatsoever to the current situation.

The legislation offends me as it should every Member of the House. I should like to indicate why. I will begin with the regulations, or should I say lack thereof because the Government has not even produced any such regulations. It has the utter audacity to present the Bill but it did not bother to present the regulations. We are buying a pig in a poke. The legislation indicates that certain matters will be spelled out in the regulations, but we do not know what the regulations indicate. The Government wants opposition Parties to support