

## GOVERNMENT ORDERS

[English]

### DEPARTMENT OF ENERGY, MINES AND RESOURCES ACT

#### MEASURE TO AMEND

The House resumed from Tuesday, May 18, consideration of Bill C-102, to amend the Department of Energy, Mines and Resources Act, as reported (with an amendment) from the Standing Committee on Energy Legislation, and the motion of Mr. Beatty.

**Hon. Ron Huntington (Capilano):** Madam Speaker, I am not necessarily very pleased to take part in the debate on this particular amendment. I want to draw hon. members' attention to the trend of "government out of control" which is of increasing concern not just to those of us who have worked through three Parliaments on the Public Accounts Committee, but also to the public and the taxpayers. By debating Bill C-102, an act which gives the Minister of Energy, Mines and Resources (Mr. Lalonde) the power to put in place Crown corporations subject to the approval of cabinet, we are accelerating that trend and are creating a subgovernment which is not subject to public scrutiny.

The arguments of PetroCan were that the people and government of this country needed a window on the energy industry, particularly oil and gas; but just as soon as the window is created we find it being painted black inside and out. Crown corporations are becoming a subgovernment which this House of Commons cannot get a handle on; they are in no way, shape or form accountable to us in this House. This bill only confuses the issue as to whether Crown corporations incorporated under Bill C-102 will come under the Financial Administration Act or the Canada Business Corporations Act. This definitely leaves those of us with some knowledge in this area totally confused, and I understand it leaves the legal profession and experts outside of this House totally confused as well. It is a grey area and will take a long time to sort out.

Before I speak exactly to the narrow limits of the amendment put forward by my colleague and benchmate, the hon. member for Wellington-Dufferin-Simcoe (Mr. Beatty), I would like to bring to the House's attention the fact that in the Thirtieth Parliament members on all sides worked for hours and hours, weeks and weeks through four sessions trying to get control of this whole subject of Crown corporations. I remember the day when one of the senior Treasury Board officials was asked how many Crown corporations there were and he did not have the answer. It later came out that there were 478 known Crown corporations.

The committee then started to work on this issue, and officials from the Treasury Board diligently attended every single one of those meetings and subsequently came up with a blue book which was the forerunner to a Crown corporations act. The Public Accounts Committee of the Thirtieth Parliament submitted a very detailed and studied report on this issue

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where it said Crown corporations must be brought under either the Financial Administration Act or a Crown corporations act so that Canadian taxpayers could see just how this subgovernment was developing.

● (1700)

Of the Crown corporations, either wholly owned, partially owned or subsidiaries of subsidiaries of Crown corporations, there are some 50 that have been given agency of Her Majesty status. What this amendment tries to do is remove from the powers given to the minister of energy agency status that, in our opinion, is totally unnecessary and extremely dangerous in light of the lack of accountability this House and the committees of this House have over the Crown corporation subgovernment.

Agency status was drafted as a chapter in a blue book on Crown corporations. For some reason or other known only in the Privy Council office, it was not included in the text of this book. I assume that kind of knowledge was not to be broadly spread to Members of Parliament or the public at large.

Agency of Her Majesty status is indeed a unique and powerful privilege that I do not believe this House should be conferring on any one minister. Everything the minister of energy has to do in terms of incorporation of Crown corporations can be done under the present structure of going to cabinet and incorporating through governor in council order. But what is happening here is that we are giving the minister the right to confer unbelievable powers on this string of companies that he is creating as he takes control over the whole national energy structure in this country; state control, I might say, Mr. Speaker.

Agency of Her Majesty status exists probably in 50 corporations. We heard that wonderful speech from the hon. member for Regina West (Mr. Benjamin) last night. I would urge everyone to read it. That speech illustrated how shallow our knowledge is in this important area of government business. There are about 50 Crown corporations that have been given the gift of agency of Her Majesty status. Some of the powers that are automatically conferred by that status are immunity from taxation by provinces, and immunity from the law. The law as it applies to other businesses incorporated under the Canada Business Corporations Act does not apply to the gift the Minister of Energy is giving in Bill C-102 to these Crown corporations, the need for which the minister has not yet defined.

The minister is seeking and getting this power which will give these special corporations immunity from provincial legislation and provincial taxation. Not only that, but these corporations get immunity from federal legislation federal laws. They get very special status. These Crown corporations that are given this status, which my colleague is trying to have removed from this bill in the subamendment to which I am speaking, also allows these corporations the special privilege and right to borrow money from any sector at the cost of the