

*Regional Development Incentives Act*

panies applying for loans do not have the intention of modernizing their plant in some small town, paying low wages to the local people, and going on to ignore trade union development. The minister should not be taken in by corporation directors on this point.

As reported at page 1,928 of *Hansard*, the minister said that as a result of the implementation of Bill C-205:

The decisions will get increasingly more complex and important. That is why I suggest the creation of a board comprising senior officials of my department, representatives of the Department of Finance and the Department of Industry, Trade and Commerce, as well as specialists from the private sector.

You, Mr. Speaker, coming from the town of Cornwall, knowing the importance of the textile industry to Cornwall and the importance of trade union development, would have hoped, I am sure, that the least the minister could have done would have been to include trade union officials on this board to help in the determination of the decisions. I am surprised and ashamed that the minister would not include trade union officials on the board. He is a prisoner of the officials of his department. Why would he not include trade union officials from the Canadian Congress of Labour and from the CNTU in Quebec, which he did so much to develop and maintain? I would ask him to give serious consideration to including trade union officials on the board who might help in arriving at some sensible decisions.

• (3:30 p.m.)

Third, Mr. Speaker, I would develop Crown corporations and encourage Canadian enterprise. The minister is very familiar with the Polymer Corporation, with Air Canada, with Sidbec Corporation in his own province and with DEVCO. These have been very successful companies. These Crown corporations were set up to meet a particular requirement.

I should like to address the minister for a few minutes with regard to Industrial Estates Limited in the province of Nova Scotia. That province attempted to meet a situation in the Maritimes by setting up the industrial estates to train men in particular industries. One industry that they helped develop was the electronics and television industry, as a result of which Clairtone had a special arrangement with the government. The purpose of this enterprise was to try and capture some of the northeastern market of the United States. It should be noted, Mr. Speaker, that there are nine television companies operating in Canada, seven of which are American owned and two of which are Canadian owned, those being Clairtone and Electrohome in Ontario. Clairtone's efforts to capture the market of the northeastern section of the United States have not been too successful. From what I have heard in the Finance Committee, this was because the American companies threw a block in its way. It was easy for them to do this; they just said that Canada could not meet the service requirements, thereby making it very, very difficult for Clairtone to operate with success. If Clairtone fails, Mr. Speaker, that will not only create unemployment in Nova Scotia but it will mean also that Canada will have only one company left to develop the television, radio and electronic business in this country.

[Mr. Gilbert.]

Where is all the research and development done? For the American firms, it is done in the United States. Where is the advertising done? That is done in the United States as well. We may become captives of our American friends, not only with regard to television sets but also with regard to a series of other appliances such as refrigerators. I think the minister will have to give new initiative, new help and a new look to the development of Crown corporations in Canada if he wants to increase employment. These American companies set up branch plants in Canada to serve our domestic market and have little or no interest in the development of an export market. It is difficult to create employment with branch plants whose main purpose is to sell only to the domestic market.

I would have hoped, Mr. Speaker, that the minister would have developed a Crown building corporation, something like General Motors. We could have looked to CMHC for financing and could have specialized in building housing for senior citizens, public housing and co-operative housing across Canada. We could have applied pressure to the banks and trust companies for the direction of investment moneys. There is no reason why we should not do that. We could have used all the building techniques developed by the National Research Council, bulk buying and so forth, and perhaps we could have solved the problem that prevails across this country. When considering the housing record of the city of Montreal, we realize it is no wonder that organizations such as FRAP and movements such as the Separatists come into being. They see no future in the federal system for Canada.

I would hope that the minister would develop a Crown corporation to manufacture drugs, thereby bringing down prices and helping to create employment. Polymer Corporation and its chemical techniques could be used to provide some of the basic drugs. Thus far, the minister is depending on private enterprise. As a final challenge to the minister, Mr. Speaker, I would hope that he would develop a new Canadian car. It is shocking that small countries such as Sweden, Italy, France and England are sending cars to Canada and that the Renault Company is assembling cars here. Surely, we have the talent and resources at Sidbec Corporation in Quebec to provide the steel required. We have young engineers with talent. But the minister sits idly and allows American, European and Japanese concerns to capture the market.

I would hope, Mr. Speaker, that the minister could use some of these ideas which I have advanced for the spending of moneys rather than just depending on private enterprise. If I were minister, Mr. Speaker, I would not give one penny to foreign corporations. The minister has given a large share of these moneys to foreign companies and this is hurting Canadian enterprise. Surely, the trend to foreign ownership should be curbed. When companies apply for grants, I suggest to the minister that he scrutinize any contracts made between those companies and the government to make sure that the companies pay fair wages and have some trade union representation. Should this not be the case, then the purpose for which the moneys were allocated is being ill served. All I am saying