Regional Development Incentives Act
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## • (3:30 p.m.)

The Watkins report in respect of the level of foreign ownership which exists in Canada points out the dangers that attend foreign ownership of our economy, including the loss of Canadian sovereignty and, the fact that extraterritorial decisions are made by these foreign owned companies. If the pattern in the future is similar to that of the past, and if these United States or other foreign interests are to be protected by this kind of incentive, what assurance do we have that the interests of national corporations will not supersede the interests of these regions? I suggest to you that the only way we can guarantee to these underdeveloped regions of Canada that development will be continuous and in their interest is through the establishment of Crown corporations on a scale we have not contemplated in the past.

It is not my intention to talk about Crown corporations without making some suggestions. There are some Crown corporations which could very easily be located in these areas. Recently we had a debate in respect of drugs, and it was pointed out that the measures proposed by the hon. Minister of Consumer and Corporate Affairs (Mr. Basford) to bring down drug prices were not adequate. It was suggested that what was really needed in this country was a Crown corporation for the manufacture of drugs. This would be an ideal industry for location in areas such as the one we are discussing. If we are going to spend the kind of money talked about in this bill, how could we spend it better than by investing it in the future of all Canadians? In this way all Canadians could be shareholders in these companies rather than investing their money in companies, the future of which is not always ours to determine but is determined at a head office removed from this country.

It is not my intention to speak at length on this bill, and hon. members on the other side of the house may contain their applause until the card goes up. I feel I have said almost everything I want to say, or I have presented at least a rough outline of my feelings. There will be a great deal of time available to us during committee hearings and when the bill returns to the house to examine the measure in detail. My closing remarks again take the form of a caution regarding those constitutional problems now being created by the

powers possessed by the minister. How rigid is he going to be in terms of interpreting the Canadian constitution? We know he has made some statements in the past which indicate his belief in the need for an infrastructure to persuade industry to properly locate. This means the federal government will have to become involved with the provinces in the construction of roads, schools, hospitals and this sort of thing, in order to make areas attractive to industry. I hope the minister will not take a rigid position such as the position adopted by his confrere, the Prime Minister (Mr. Trudeau). If he does, I do not see how this program will meet with success.

The existence of an economic czar creates a lot of problems at the federal level. It will be of interest to see how these problems will be worked out. It will be of great interest to see the extent to which the Minister of Regional Economic Expansion (Mr. Marchand) is able to convince his colleagues that the narrow constitutionalism we so often observe on the part of other members of the house is not adequate to meet the challenge of our times.

Like the hon. gentleman who preceded me, I should like to close by saying that all members of this house wish the minister well in his undertakings. I assure him that we will carefully scrutinize and evaluate his efforts. He has now the power to do good. Let him use that power to do good.

## [Translation]

Mr. Henry Latulippe (Compton): Mr. Speaker, I am pleased to participate in the debate and to discuss the bill which the minister has brought in. I would like to tell him immediately how much I admire him for having taken the initiative of introducing that helpful measure because Canada needed it.

We know that this bill will not be a cureall, but we sincerely congratulate the minister for being concerned with industry. He is doing quite well, because, in my opinion, this is one of the most appropriate measure we have ever had in Canada.

At the present time, we have to develop our industrial technology. We have to modernize our industries by all possible means and this bill will make it possible to produce a lot for the people and to develop labour, particularly specialized labour in some techniques that we are now unable to use.

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