

*Canada Development Corporation*

incentive grants, capital grants, research grants, development grants and so on. Once the people in this country get it through their heads what this arrangement means, they will not be happy about it.

I should like to quote the former Minister of Communications, the hon. member for Duvernay (Mr. Kierans), who made a speech in reference to these tax concessions. I see you are rising to your feet, Mr. Speaker, and I want to assure you it is quite relevant.

**Mr. Deputy Speaker:** Order. The hon. member says this quotation is relevant, but I should like her to indicate how it is relevant to the two motions under debate. I ask only because I interrupted an equally excellent speech of the hon. member for Halifax-East Hants (Mr. McCleave), which was really not relevant to the motions under debate. If the hon. member can find relevancy here, I shall be pleased to hear her.

**Mrs. MacInnis:** Mr. Speaker, I shall be delighted to explain the relevancy. I am trying to give reasons for my support of this amendment which proposes that the board of directors shall be composed of people who are representative not merely of the corporate sections of Canadian life but also of consumers, farmers, labour unions and so on. I do not see how I can explain my reasons unless I indicate why we want this amendment. The reason we include other sections of the Canadian economy is to indicate that under the present arrangement the return to the Canadian people from such a corporation would be very lopsided.

I trust I have explained the relevancy to your satisfaction. I think it is of the highest importance to explain why we feel this amendment should be accepted so that sectors of the Canadian economy other than just the business community are included. I shall give my quotation and Your Honour will be the judge of its relevance. The hon. member for Duvernay said:

Tax exemptions are not easily given up. Large and powerful lobbying groups exist precisely to maintain and expand tax privileges and immunity. But we are not living in 1799 when Pitt introduced the income tax and listed mining and quarries as second on the list of those qualifying for exemptions, after the stipends of ecclesiastics. Nor are we living in 1927 when the U.S. Congress authorized a depletion allowance against a corporate tax rate that was very low. At today's rates, such privileges are grossly discriminatory and lead to overinvestment in the favoured industries and misallocation of resources, as Carter noted.

If Your Honour does not think that relevant, I should like to read something that I know you will regard as completely relevant. This is the very marrow in the bones, as it were, of the argument why we want to change the composition of the board of directors of the CDC. The hon. member for Duvernay went on:

If the quality of living in Canada is to improve, an increasing proportion of total income should be used to satisfy the social and private needs of Canadians as consumers, not as investors. This expanding demand, with a money supply growing more evenly than in the past, will provide all the incentive that private investment needs.

If we leave this board of directors strictly in the hands of the business community, what hope is there of making sure that an increasing proportion of total income is used

[Mrs. MacInnis.]

to satisfy the social and private needs of Canadians as consumers and not as investors? According to the government's proposal, the board will be composed of people who know how to make sure that the operations of the CDC are conducted in a way to give a return to the investors as such, and that is all. If we are to bring about a result different from this we must see to it that there are other people on the board besides those who represent the investors' point of view. I believe I have proven relevance to the hilt; in fact, I should be very pleased to be shown where I have not been relevant, but it would not be fair to draw Your Honour into a procedural argument at this stage.

The hon. member for Duvernay is not the only one who accepts the motion that we need to plan now for the future as well as the present needs of the people of this country. We need planning to be done by more than the narrow sector of the business community. If we leave it strictly to the business section of the community to do the planning across the country, we will get nothing more than what we have had. We will have little economic development in areas where unemployment is extremely serious, and in which opportunities are very unevenly divided now.

• (3:10 p.m.)

I would point out that the Economic Council, which years ago would have been composed only of economists with perhaps a few government people thrown in, has begun to realize the necessity of including other groups of people in the community. The Economic Council now includes people from organized labour. It includes representatives of organized farmers, of organized consumers and a good many representatives of other sectors in addition to those from the business community or from the academic world.

It has already been shown to this government that in planning, it is a good idea to consider economic measures for Canada by including people in addition to businessmen and those merely interested in bigger dividends for their shareholders. This is true of other sections of our government at the present time. In the Department of National Health and Welfare, you have a minister who has set up a National Council of Welfare. I give him credit for wisdom in this regard. He has seen fit to include representatives not only from the business community but social workers and other representatives from sections of the country who are concerned with low incomes. You might ask what people on low income have to do with welfare. They are the recipients of welfare and probably in the very best position to know something about it. The people who give out welfare and make the legislation, very rarely, if ever, have been on the receiving end of welfare or know anything about it from a practical standpoint.

If the Department of National Health and Welfare has reached the point of actually including people from the low income groups on the council, perhaps it is time we started thinking in terms of including representatives from the relevant sections of the community in every