

The Ralliement Cr ditiste is requesting the government to authorize the Bank of Canada to grant interest-free loans to these public bodies. If this proposal were accepted by the government, if the latter allowed municipalities, school boards and provincial governments to borrow from the Bank of Canada to cover their financial requirements, then such public bodies would not have to borrow on the private bond market. Being unable to lend their savings to these public bodies, private investors would then have to look to private enterprise and trade to invest their capital.

I am convinced, Mr. Speaker, that those who have savings, be they insurance companies, or investment and security brokers, would not hide them under mattresses. That is not longer the fashion! So, they would have to look to private enterprise to put their savings to work. Gradually, Canadians would regain control over Canadian industries and businesses now in the hands of foreigners.

That is the solution that I wanted to propose to the House to replace Bill C-219 which, in my view, will not solve anything. This bill will in no way remedy the economic situation now prevailing in Canada.

We have cope with unprecedented unemployment conditions, with the destitution and even extreme poverty of many families which have to rely on welfare allowances. All unemployed who depend on very low pensions, welfare allowances or superannuation cannot suggest to the industry what and how to produce.

The interim report of the Economic Council of Canada tabled in July 1967 states the following, as reported on page 10:

The greatest possible freedom of choice should be preserved for consumers—

How is it possible for social welfare recipients and unemployed to have that freedom of choice?

They have not a penny in their pockets to tell industry what to produce. I quote further:

—so that each individual or household is free to choose the component parts of its way of life or standard of living, within the bounds of the law.

Mr. Speaker, this statement is in perfect agreement with the philosophy of Social Credit.

The report says further:

—Consumer choice should be the ultimate arbiter of which goods and services are produced and continue to be produced.

Mr. Speaker, this is what Social Credit is all about, this is what members of the Ralliement cr ditiste are asking for: that the individual be given a right to tell industry what it should produce. But the system that the government is proposing, through this bill to create a Canada Development Corporation, as the minister said, is designed to guide Canadian industry and then somehow force consumers to buy again the production, if we allow that.

If the government wants to solve the problem we are facing in Canada, it should cease to take away from Canadian workers the greatest part of their income

Canada Development Corporation

through the system of direct and indirect taxation. Then the individual would be able to control production, to invest into Canadian enterprises, into family undertakings which he would be proud to own and manage. Then we would see—as we have seen already—that there are still in Canada people who are able to run a business.

Let us give Canadians the opportunity to prove their ability. Canada will only be better for it, and the Canadian government will have done much to improve the standard of living of Canadians. That is what we would prefer to find in Bill C-219.

The House has under consideration an amendment to give this bill a still more socialist character, but we will object to it besides disagreeing with the measure being debated.

• (3:20 p.m.)

[*English*]

Mr. Barnett J. Danson (Parliamentary Secretary to Prime Minister): Mr. Speaker, I am delighted to follow the hon. member for Abitibi (Mr. Laprise) in this debate. I am not in favour of the policies suggested as a solution for our problems but we must give full "social credit" to him for putting them forward. The debate relating to this bill is one of the most significant, in many respects, to take place in this House in many years. It is the first time that we have really begun to come to grips with the ownership and control of our industry and our resources.

I use the word "begun" advisedly as I believe it to be the first substantial legislative step to help us "tip toe" through the intricacies of maintaining a substantial inflow of investment capital, still essential in the view of my party to the dynamic growth of our economy, and the imperative of assuming an increasing degree of control over the business and economic decisions which very much affect our sovereignty and our development as a more distinct Canadian social and political entity.

In this debate I wish to pay credit to the Hon. Walter Gordon whose passionate and persistent actions and concern have kept Canadians constantly aware of the abyss into which we are sinking. One may agree or disagree with Mr. Gordon's analysis or proffered solutions but one cannot fail to give him full credit for focusing our attention on this problem, this dilemma, to which we are finally beginning to give concrete attention. He has indeed already proven himself to be a very great and devoted Canadian and I doubt whether he is too concerned whether the solutions arrived at are along the precise lines he might choose as long as they are the result of the considered judgment of reasonable and concerned men and women.

This bill to establish the Canada Development Corporation is only the first step because it deals with only one aspect of the full range of considerations. However it does set up the machinery which might be expanded through the CDC or otherwise to deal with other important aspects. It is designed to establish a government position relating to the future oriented development of Canadian industry. This must be the first priority and