

*Canada Corporations Act*

I would ask the minister to note those words carefully. There is no question that Canadian corporations and financial institutions, with government acquiescence, have allowed large blocks of Canadian savings and capital to escape Canada unnecessarily in the past. This has increased our dependence upon foreign capital.

● (4:40 p.m.)

I think two questions need to be asked on the subject of importation of capital. The first is: In what form is capital imported? Is the capital imported as equity capital, or is it imported as debt capital? If it is equity capital, then the development is carried out and is owned by the foreigners who supplied the capital. On the other hand, if the capital is debt capital, when the debt is paid off Canadians own the development or industry concerned.

The second question is: Have Canadian capital resources been adequately mobilized? I think the very simple answer to that question is: No, much more could have been done throughout the years and could be done today to mobilize Canada's capital resources. For example, one thing that could be done is to establish the Canada Development Corporation, one of the promises of the present Liberal government.

This project has had a very interesting and rather speckled history. Some former Liberal cabinet ministers publicly advocated its establishment and made it quite clear that the legislation would be introduced in and passed by Parliament. That, of course, never happened. For several years in a row the legislation was promised in the Speech from the Throne at the beginning of each session. This year the proposal was not even included in the Speech from the Throne, which I suggest shows that this government is now even more at sea on this whole issue than it was last year and in previous years.

I suggest that at the present time the government is preparing to scrap the Canada Development Corporation as part of its program. I suggest the government wants to give it a burial of some sort in the near future. The fact is that the government is going to scuttle this proposal, and I do not think the Canadian people will in the long run accept this action.

At the recent federal New Democratic Party convention in Winnipeg, consideration was given to the proposal to establish a Canada Development Corporation, and a very

[Mr. Burton.]

strongly-worded resolution was passed in this connection. It was pointed out that the people of a nation possess the right and the power to agree on the use of their human and material resources through political decision, that in this way they determine the nature and the purpose of their existence.

The resolution passed by the convention went on to state that our national goals have remained unfulfilled by governments traditionally allied to corporate interests and committed to continental integration of our society. The major conclusions affecting our lives are still being made on the basis of equating the profit of corporations with the good of humanity. This philosophy has been, and continues to be, challenged by democratic socialists.

It is clear that we cannot rely on private enterprise alone to give us an economy designed for Canadian needs. That is why our convention proposed the establishment of a Canada Development Corporation. We should bear in mind that it is very important to distinguish the type of Canada Development Corporation that we want—not just some sort of mutual fund, which has been the notion of some members opposite. I should like to set out what we feel should be contained within the framework of a Canada Development Corporation. I quote eight points set out in a resolution passed at our convention at Winnipeg:

(1) To mobilize funds and to channel them into investment serving the public interest of Canada as a whole.

(2) To expand the public sector of the economy where necessary for the growth of the economy, for national planning and for increasing Canada's independence. This will normally be done by the creation of crown corporations. However, the CDC may also enter into consortium arrangements with private concerns where it has or can acquire effective control.

(3) To act always as an instrument of government planning and development policy and be directly responsible to Parliament through a Ministry.

(4) To stimulate the rationalization and greater specialization of industry in Canada in order to create a more productive economy.

(5) To be involved in regional development policies with provincial bodies and agencies in order to insure that every part of Canada capable of supporting viable development is extensively involved in the industrial future of this country.

(6) To promote worker participation plans in enterprises established or assisted by the Corporation, as a model for such plans in industry generally.

(7) To finance and develop new initiatives in research, scientific and technological developments which will increase the ability of Canadian industry to specialize and compete in world markets.

(8) To assist companies and individuals to fashion economic opportunity out of inventions and to ensure that Canada derives the benefits therefrom.