

PROGRAM FOR HIRING OF FRANCOPHONE UNIVERSITY
GRADUATES—ACTION TO STIMULATE ECONOMY
GENERALLY

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I would like to ask the Acting Prime Minister if the government is prepared to adopt a program designed to stimulate the economy so that it would be unnecessary to offer special projects for particular groups?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, I think there is some misunderstanding involved here. The program that has been under study is not directly related to the question of unemployment.

Mr. Diefenbaker: No?

Mr. Sharp: It is related more to the desire of the government, which I am sure is shared by the opposition, that the balance between Francophone and Anglophone people within the Public Service should be restored to something more representative of the population.

Some hon. Members: Hear, hear!

PROGRAM FOR HIRING OF FRANCOPHONE UNIVERSITY
GRADUATES—STATEMENT BY PRESIDENT OF PUBLIC
SERVICE ALLIANCE

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, I am sure the Acting Prime Minister has given some study to this matter. Has he read the statement by the Public Service Alliance and the words of Mr. Edwards, "we would like to know how long this \$2 million slush fund has been earmarked?" Also, I would ask the minister to advise when this plan was first arrived at, and can he give an explanation as to why the President of the Treasury Board on Saturday denied the existence of something that he admits today?

Mr. Speaker: Order, please. The right hon. gentleman obviously is reiterating a question which was asked a moment ago.

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CANADA DEVELOPMENT CORPORATION

ACQUISITION OF CROWN CORPORATIONS—MAJORITY
GOVERNMENT INTEREST

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, my question is directed to the Minister of Finance and arises out of a statement he made to the press last Friday concerning the proposed Canada Development Corporation. In view of the fact that according to his statement the government proposes to turn over Crown corporations valued at between \$300 million and \$400 million to this new body, can the minister give the House assurance that these government enterprises will continue to be owned by all the people of Canada and controlled by the government of Canada free, of course, from any day to day political interference as they are now?

Inquiries of the Ministry

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, the proposal involved is that the Canada Development Corporation could consider purchasing these corporations from the government of Canada. The legislation, of which I believe my hon. friend now has a copy, provides for consideration of such action in the future by the Canada Development Corporation if and when it is established by this Parliament, in which case legislative action by Parliament would be required before the corporations were turned over to the Canada Development Corporation.

Mr. Douglas (Nanaimo-Cowichan-The Islands): From the statement the minister made last Friday I judge that the capitalization is to be \$1 billion. May I take from his statement that the government will have a majority interest on the basis of both the \$250 million which is to be invested and the securities which it will receive in exchange for the Crown corporations?

Mr. Benson: Actually the capitalization is \$2 billion, if my friend will look at the statement. The proposal is that in the initial period the government will own all the shares of the Canada Development Corporation. The proposal for investment of \$250 million, which is put forward in the legislation, is quite apart from Crown corporations to be turned over for equity, if this is decided by Parliament, in addition to the government investing \$100 million in equity in the first year and \$75 million in equity in each of the two following years for a total of \$250 million, with power provided in the legislation for lending up to an amount of \$100 million in addition to the Canada Development Corporation.

Mr. Douglas (Nanaimo-Cowichan-The Islands): That is the main point I was asking about. Does the government envisage, at whatever time it decides to sell shares in the proposed corporation, that the government itself will maintain a majority equity position vis-à-vis the Canada Development Corporation?

Mr. Benson: Mr. Speaker, it is very difficult to analyse the whole of the legislation at this point, but it is indicated that for quite some time the government will have all the shares in the Canada Development Corporation. Ultimately shares will be offered for purchase. I think my friend will find that the legislation provides that only Canadians may own these shares, that no Canadian may own more than 3 per cent, and that the government's ownership in the over-all corporation ultimately could not be reduced to a point below 10 per cent.

Mr. Speaker: Order, please. The Chair will recognize the hon. member for Edmonton West, but I think I should caution the House that we should not have a debate on an item which is now before the House. To some extent we would be anticipating an order of the day. However, I recognize that the hon. member for Nanaimo-Cowichan-The Islands has asked pertinent questions, and the hon. member for Edmonton West should have the same privilege.