

Federal Business Development Bank Act

Madam Speaker, yesterday I believe, the hon. member for Gatineau (Mr. Clermont), speaking to the amendment, said that the money came from the deposits of the public at large. That is not entirely true, some of it is also made up of public funds.

That bank will be empowered to extend credit through the Bank of Canada because the latter will still remain the central bank, the master bank. Madam Speaker, will that bank have the same powers as chartered banks, except that chartered banks operate for their private organization, for their directors, their shareholders, or will it operate for the whole people of this country? That is rather important because we all know: Not everybody!

Recently, I talked to 1,000 chartered accountants in Toronto, and most of them did not know that a federal government bond purchased by the Bank of Canada allowed Canadian chartered banks to multiply the government bond by 16. In other words, \$16 million worth of credit can be created for a \$1 million issue—\$16 million worth of credit in figures out of the ink bottle, out of the pockets of nobody. The banks have that power. Will the Federal Business Development Bank have a similar power to mint the possibilities—not the impossibilities—but the real possibilities that exist in the country?

Madam Speaker, the Federal Business Development Bank could be tremendously useful not only for maintaining any prosperity but for the economic stability of this country if the government, the board or the directors of the bank want to assume their responsibilities to develop Canada to its maximum, and not develop foreign companies. What is important is to help our own companies, our own small industries. There are thousands asking for government assistance, and they cannot get anything.

Madam Speaker, I think that might be what the government is considering in introducing Bill C-14 to help small industry. It will not be harmful to big industry in any way; that is not the purpose of the bill. It is to develop to the maximum what we can develop at home, and as I have been repeating for several years, as long as that financial institution, whether you call it the Federal Business Development Bank or the Bank of Canada, is not put at the service of the whole of the Canadian people, no matter who the directors of these agencies are, I am convinced that no government board will be able to protect Canadian contractors or industrialists against those who are bent on abusing legislation such as Bill C-14.

Madam Speaker, I hope wholeheartedly that this new bank will serve not only one sector of the public, but the public as a whole. If it does, there will be fewer conflicts in Canada than there are at present. No longer will we see people leaving Ottawa to go and preach separatism in Alberta, or people from Alberta going to Quebec to preach separatism, always with the same accusation: "It is because of Ottawa that such and such project cannot be developed in Quebec; it is because of Ottawa that such and such area in western Canada or the Maritimes cannot be protected".

It is possible to satisfy everybody. But this will require all Canadians, whether of French, English, Ukrainian, Japanese or Chinese ancestry, to strive for the common good, and not for the good of this one particular group at the expense of another. Only then we will understand

[Mr. Caouette (Témiscamingue).]

better the meaning of national unity and the true destiny of the Canadian people.

● (1440)

[English]

Mr. Perrin Beatty (Wellington-Grey-Dufferin-Waterloo): Mr. Speaker, I have been here for somewhat over two years, during which I have always found it instructive to be in the House when the leader of the Cr ditiste party is speaking. I was amazed that he was today able to speak at considerable length—covering the whole waterfront, including everything from Alberta and Quebec separatism to Social Credit monetary theory—without once dealing with question at issue, namely, the motion proposed by the hon. member for Lanark-Renfrew-Carleton (Mr. Dick). Let me add my unequivocal support to motion No. 1 standing in that hon. member's name.

We are not trying, by this motion, to resolve once and for all the question of economic nationalism, any more than we were trying to resolve once and for all, by the motion of the hon. member for York-Simcoe (Mr. Stevens), problems in respect of the openness of the government or conflict of interest. What we are concerned with here is setting a precedent and encouraging the government to take at least one, albeit hesitant, tentative and faltering, step in the direction of economic nationalism. I am surprised to observe the sort of resistance with which this effort is being met by hon. members on the government side.

It is interesting to note that the minister and members on the government side waxed eloquent about the problems of the Canadian small businessman as opposed to foreign control of our economy. When I think of this, I am reminded of the fact that this minister, at the same time as he talked about strong measures to deal with problems in respect of foreign domination of our economy, resisted a measure which would stop this federally-controlled bank lending moneys to foreign-controlled companies—which would increase foreign penetration into our economy.

I was reminded, as well, of the statement of the late Adlai Stevenson when talking about one of his political opponents. He said he was the sort of man who would cut down a redwood tree and mount the stump to make a speech on conversation. I suggest that is the attitude of this government. Its members wax eloquent about the issue of small business, and at the same time wax eloquent about the issue of foreign domination and Canadian control of our economy, yet they do everything possible to undermine the national interest. The ultimate principle involved here is whether Canadians are willing to have their tax money used to finance greater foreign takeover of our economy and increased foreign intrusion into our domestic affairs. This is something we should resist.

The parliamentary secretary in his remarks a short time ago spoke on both sides of this issue. He suggested at one time that it was very good for the small businessmen of this country and the economies of many communities that the government be allowed to lend money to foreigners. Then a minute later he said the figure is so insignificant that it hardly warrants consideration. If the figure is insignificant, the government should not have any hesita-