

companies which do not have the advantage of self-financing, like the large concerns listed on the stock exchange, which benefit from the support of public capital never repayable and never subject to fixed interest rates, which are more and more exempt from federal taxes, with inconspicuous or secret reserves, exaggerated depreciations, disguised by all kinds of accounting devices, with the right to create new capital, under the more or less declared or stolen authorization of our government.

By means of granting similar privileges to private companies, the government itself has finally yielded to the temptation of establishing its own big Crown corporation under the sonorous title of the Canada Development Corporation, the CDC, listed on the stock exchange, with shares at fixed rates for the people and at accruing rates for its preferred shareholders, members of the family compact, of the establishment, untouchable and always respected at first, in the whole national economy.

There now, Mr. Speaker, we have our great government-controlled corporation, set on the same footing as the public exchanges in private enterprise, showing off for our benefit this mixture of unhealthy rivalry between the people's interests, those of private enterprise, competing against sovereign authority, drooping to its own level of economic activity, in order to enjoy the exclusive privileges granted private enterprise, but denied the people, the human being, the family and even the entire nation itself.

Prompted by the example of the larger companies that keep increasing their capitalizations from their yearly income, the government has decided to build up its own reserve of ever-lasting capital by means of taxation on pension funds, to create in the stock exchange its own means of action, in order to enjoy still at the people's expense the exclusive privileges granted to the larger companies in the private sector, at the million or billion dollar levels to be in a better position to compete with the small and the medium bracket enterprises, with the individual and family undertakings which are not burdened with administration costs nor with high salaries to be paid to university graduates.

What a queer parallel. Often did the government blame the larger companies for making extremely large profits, for building up excessively large reserves, for claiming exceedingly high depreciation rates, to disguise their way of creating capital on their published balance sheets.

The government has even been asking the banks lately to abandon one of their six practices, that is the concealment of their hidden reserves, while leaving the five other privileges untouched. They even have the right to create more credit since the new 1967 Bank Act was passed. But the same government is now playing the game of private companies. Instead of calling their privileges into question, of denouncing them and of suppressing them as it had started to do, in the light of the representations of people who have had enough of seeing the profits of big companies accumulate from year to

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year, while they are deprived of their right to live and are unable to use the production they made for themselves first, and not only for these companies or government instruments, the government does not react at all.

The Minister of Finance should backtrack before it is too late. A bill is only a bill. It may be studied, introduced, discussed, and even rejected without humiliation, but after it is passed thanks to a majority government, in spite of a disconcerting opposition and any previous policy, this majority government may very well dig up itself the grave in which the Canadian people will bury it in the next election.

Let us recall Mr. C. D. Howe's famous pipeline. The very strong government of the right hon. Louis Saint-Laurent was its victim. The opposition was against the government's stand in this matter. The majority government did not take that into account, but the people gave its merciless verdict. The Saint-Laurent government was defeated. The hon. C. D. Howe disappeared, and the government subsequently withdrew the \$80 million it had invested in a private enterprise.

Today, through Bill C-219 to establish the Canada Development Corporation, in spite of its sonorous title, it is not \$80 million that the government wants to invest in private enterprise, but \$2 billion to start with.

It is laying it on. This will be the greatest amount of capital ever granted to a Canadian company at its creation.

It would be advisable for the Minister of Finance to think it over some more. His daring is exciting but is it measured and justified? How calculated is the risk he is taking? If the government tampers with the exclusive privileges granted companies with floating capital listed on the Stock Exchange, is it in playing that game that it will protect the interests of the people who are asking for a better distribution of the goods they produce through large companies?

In reading reports every year the Canadian people see that the gap widens constantly between the poor who become poorer and the companies which become increasingly richer, leaving a great proportion of the population destitute with no hope of improving its lot.

Hon. Minister of Finance, I am addressing you—he is not here but I am addressing him just the same—and the others will understand—

Mr. Speaker: Order. The hon. member should perhaps address the Chair rather than the Minister of Finance.

Mr. Latulippe: Mr. Speaker, I will continue my remarks, but I have said nearly all I had to say about the Minister of Finance.

We are facing an alternative which, from somersault to somersault, may lead to even greater unrest than what we are experiencing today.

• (8:30 p.m.)

It remains to be hoped that the army of the bold and the courageous will meet the challenges and commit itself to build a prosperous Canada.