

Canada Development Corporation

countries fabricate some of the asbestos that we ship from British Columbia. This is utter nonsense. If other countries can fabricate materials for their own use and for sale elsewhere, it is obvious that asbestos products ought to be fabricated in British Columbia and in other parts of Canada where the raw material is produced. Here is a role which the CDC ought to attempt to fill.

This is why we urge that paragraph (b) of subclause 2 of clause 6 be deleted. We feel this would eliminate a very unfair provision which seeks to limit investment by the corporation to firms with more than \$1 million in capital. The two examples I have cited to the House, copper and asbestos, show what can be done if we have the will to do what is necessary and the determination to insist on the setting up of small or medium-sized industries in Canada to fabricate some of the raw materials found in our own country. I contend, and the members of my group have been pressing this point for a long time, that unless we insist on more fabrication within Canada, there will be a large mass of unemployed with us for many years to come. I urge hon. members to take another look at this clause and to accept the amendment we have offered to the House for the deletion of that particular paragraph.

Mr. David Orlikow (Winnipeg North): Mr. Speaker, I rise to support the amendment proposed by my colleague on Friday. It seems to me that this bill has had a longer period of gestation, a longer period of pregnancy, than any bill which has been considered in the history of the Canadian Parliament. The proposal to establish a Canada Development Corporation was brought forward by the Liberal party in the election of 1962. It was included in virtually every throne speech that has been made since that time. Nothing was done to bring down the bill and nothing was done to implement the idea despite promises contained in throne speeches and in the speeches of men like Hon. Walter Gordon, the present Minister of Finance (Mr. Benson), former Prime Minister Lester Pearson and the present Prime Minister (Mr. Trudeau). As I say, nothing was done to implement the idea, for reasons that are fairly obvious to anyone who has thought about the question. Nothing was done because the Liberal party and the Liberal government did not believe that such a corporation was necessary.

The Liberal party has indicated in speeches, in its policies for development and in its tax programs that it believes in the principle of the continental development of Canadian resources. If the objective is a policy involving the continental development of resources, be they oil, gas, copper, zinc, nickel or asbestos—the hon. member for Kootenay West (Mr. Harding) referred to asbestos—it does not matter whether the companies developing these resources are owned by Canadian, American, German or Japanese corporations. It does not matter whether these products are taken out of the ground and shipped in their unrefined state to some other country or whether the processing of the copper, nickel, zinc or iron ore, or of gas and oil through the establishment of a petrochemical industry, is undertaken in Canada. As I say, that does not matter, and that is why there was a

[Mr. Harding.]

hiatus of almost ten years between the idea of a corporation and the implementation in this form of that idea.

We of the New Democratic Party first proposed the establishment of such a corporation or of such a fund, if you like, at the founding convention of our party in 1961. We did not propose the establishment of such an organization simply because we wanted another mutual fund—and I will talk about that later. There are already some very successful mutual funds in the country. We thought of this organization in terms of it using Canadian money to develop the resources of Canada in such a way as to provide jobs for Canadians. We wanted it to develop Canadian resources, particularly in traditional slow-growth areas such as the Maritimes, parts of western Canada and eastern Quebec where, for a variety of reasons, the people have not benefited from the substantial and rapid development of Canadian resources and Canadian industries. We proposed the establishment of such an organization because we believed that only a publicly-owned corporation could bring the benefits of such developments to all the people of Canada.

• (12:20 p.m.)

All our reasons for proposing this kind of development are being consciously or unconsciously ignored in the proposals made by the government. From reading the bill and listening to the government spokesmen, all that is really proposed is another massive giveaway to Canadian and, more important, foreign corporations that have benefited so much from the wealth of Canada which ought to belong to all Canadians.

The Canada Development Corporation, as proposed by the government, will not accomplish any of the ends it ought to accomplish. The minister has repeated ad nauseam that it will be required by law to invest in companies which make a profit. That being the case, it will not be able to invest in the establishment of industries in slow growth areas where the chances of making a profit are smaller than in the area from Windsor to Hamilton and Toronto. By government direction, there will be a further infusion of funds into those areas which have had the highest and fastest rate of growth in the past 25 years. As these companies are required to make a profit, the corporation will not help the slow-growth provinces. I am not too critical of what the slow-growth provinces have done. In their desire to improve employment opportunities, these provinces have invested large sums of money in companies which are likely never to make a profit. As they are not likely to make a profit, the Canada Development Corporation will not be able to invest in them.

I wish to give one example in my own province. Under the aegis of the former Conservative government of Manitoba, there was a proposal to establish a pulp and paper mill at The Pas, Manitoba. The corporation, Churchill Forest Industries, was established. To date more than \$100 million has been invested in that company. In order to induce that company to come to Manitoba, tremendous concessions were made. The company was given the right to cut timber in a very large percentage of the