

*Canada Development Corporation*

of Consumer Affairs regarding disclosure to shareholders and to the public, and start reporting to his shareholders, the people of Canada. The Prime Minister has made no promises to the Canadian voters, but this does not give him a mandate to do everything and anything. The Canadian people did not give him permission to introduce a tinge of socialism into this country under the guise of a just society. In the unlikely event that the Canadian people ever grant this permission, they will still be entitled to ask what it will cost them so they may judge whether they want it and whether they can afford it.

If the Prime Minister's plans are produced piecemeal and on the spur of the moment, each of these plans must have its price tag so that people may decide if they want to buy it. It is hard to believe that a government would operate on the basis of hand-to-mouth planning, but the sloppiness in some government ventures so far seems to indicate that it does. If the wondrous plans which the government continually slaps on the counter for forced consumption by the public are in fact part of an over-all, long-range scheme, the Prime Minister must right now give an honest estimate of the expected cost to the taxpayer over the whole period covered by the scheme, so that the people in their wisdom may evaluate the costs and the benefits and, if they so decide, stop the expenditures before they are committed to expensive schemes which are not desired by the majority of Canadians.

In other words, the Prime Minister must take the trouble to find out what Canadians want and how much they are prepared to pay. But I suggest that this government does not concern itself with the taxpayer and its attitude is: What's another billion?

• (8:10 p.m.)

[Translation]

**Mr. Henry Latulippe (Compton):** Mr. Speaker, it is a great honour for me to participate in the debate on the bill presently before us and which aims at establishing the Canada Development Corporation.

I should like to emphasize the importance of this corporation in Canada and bring out the economic situation of our country, in the light of this gigantic development program proposed by the hon. Minister of Finance (Mr. Benson).

I do not feel that the time has come to create such a development corporation in Canada, because many areas of industry do not operate efficiently. Some industries are only producing at half capacity because they cannot find buyers for their products. I do not think that the establishment of a large corporation, at the expense of other related industries, will settle the problem. I am sure that if we establish large Canadian industrial centres, we will close less important ones and see a great number of industries stop their production or merely go under because the leading industries and finance will drive them to bankruptcy.

We have in the province of Quebec the striking example of the General Investment Corporation. The Quebec

[Mr. Paproski.]

government has made available to the province a broad manufacturing, industrial and financing organization.

At present, Quebec's General Investment Corporation has taken over several large industries and has modernized them by using all available techniques. This form of industrial financing did not increase greatly the number of jobs but it did cause the disappearance of several other industries that provided jobs. Those industries are now faced with overproduction which they cannot sell.

In many sectors, the General Investment Corporation has tremendous surpluses; warehouses are full to capacity. Some industries and some industrial complexes have to be closed because the overproduction cannot be disposed of.

I do not believe we will solve the problem by creating the gigantic financing company which the Minister of Finance wants to set up.

What amazes me the most with the establishment of this super industrial corporation, is the tendency of this government to try everything possible when it comes to financing overproduction while they turn down all the measures aimed at promoting consumption among the people whose purchasing power cannot buy the current production.

Current financing policies, as well as governmental assistance to economic expansion in designated areas, represent attempts at financing the overproduction of industries which cannot find a market for their products because people lack purchasing power.

When you finance new furniture factories in some areas, you only bring about the closing of other plants in neighbouring areas and shift the place of production. When you train new employees, you drive older, skilled and experienced workers into unemployment. The government is closing its eyes not to see that the trouble in our economy is not the lack of production, but the lack of purchasing power for the people to buy this production. The production stays on shelves, in stores, whereas the people who need it but lack money cannot buy it. The government is closing its eyes not to see that production is already sufficient, although 10 per cent of the population is unemployed, and although 60 per cent of the production is designed to meet the requirements of the consumers, who have no purchasing power to buy more goods and services.

• (8:20 p.m.)

Some refuse to see that in 1970, in spite of a production of \$84 billion, the people consumed, exported and sold—by every means—only \$50 billion, and that only \$34 billion were left for future needs and the development of the country.

And above all else, there is this wish to set up a super governmental corporation of two billion dollars to increase national production when it already exceeds the purchasing power of Canadians.

Any production coming from this new Crown corporation will only serve to close down the small and average