

*Canada Development Corporation*

Do not let anyone say this is impossible. The Japanese economy—now the most dynamic in the world—has been expanding for the last 20 years or more at an average rate of more than 9 per cent per year and, a year ago, at 13 per cent. Every bit of this has been financed by credit internally and through a government policy which has encouraged incentive and used the banking system in the proper way. This could be done in Canada. The objective of such a policy is that our people, hopefully, would be able to buy back what already has slipped out of our hands. The objective of such a policy is to develop our resources so that Canadians will be the ones involved and so that their money is being used.

The economic situation is not very wholesome at the present time. The unemployment situation is tragic. As one economist said the other day, we probably have lost 200,000 jobs because of the wrong policy to deal with inflation. The policy the government is following will in my opinion continue to make the rich richer and the poor poorer. This will mean that those of us in between will continue to support both segments of the economy. That is the tragedy of the Canadian economic situation at the present time. The concept of a Canada Development Corporation, while it may have some legitimacy, should be very different in pattern and form than it is, for reasons which I have already mentioned. More important than a Canada Development Corporation, even on that basis, is the necessity to correct some of our national inequities and to amend our Income Tax Act in such a way that more incentive is given to Canadians not only as individuals but as Canadian corporations.

If such a policy were being followed, there would be no need for a Canada Development Corporation. I do not think the Canada Development Corporation will be able to "buy back" Canada. The best it will be able to do is denationalize some companies that have been Crown corporations. It will not provide the capital to bring about the expansion and new development that is needed. The Canada Development Corporation might help some companies to find a way to survive, but the basic policy will not be conducive to encouraging companies to take the risk necessary to provide the economy with the type of basic growth that is necessary.

Therefore I believe we now have a situation in which the government, perhaps with good intentions, is missing the boat and is really not providing the legislation we need to meet the objectives which it says the Canada Development Corporation is supposed to meet. That is why I find it very difficult to support this type of legislation. I do not say this happily. I would support any sound proposition that would help our economy go forward and improve the economic situation.

Again, the responsibility must fall on the government, which for some reason has lost its vision, has been confused and has been silent in respect of the daring that is necessary if we are to adopt new and better policies than we have in the past.

**Mr. David Orlikow (Winnipeg North):** Mr. Speaker, we are today debating a proposal which the Liberal party first suggested eight years ago. Yet in the eight years in

[Mr. Thompson.]

which we have had Liberal governments this concept has never been brought forward until now. It would be interesting for the Canadian people and hon. members to ask themselves why this bill was put in cold storage for eight years. The reasons are obvious. The Liberal party has been, and continues to be, the major exponent of economic continentalism. Then why has it taken this bill out of cold storage? It is because the government realizes that a large number of the Canadian people are concerned about the increasing domination by foreign corporations, mainly American corporations, of the most important sectors of the Canadian economy.

• (3:30 p.m.)

This is not a matter which was brought forward only by members of the New Democratic Party. After all, it was a Liberal government which hired Professor Watkins to make a study and put forward recommendations about what ought to be done.

**An hon. Member:** But turned them down.

**Mr. Orlikow:** And, of course, turned them down until now. In fact, the Liberal government has ignored this question until now. The reason it is bringing the bill forward at this time is that the Liberal party recognizes, as I said, that the Canadian people are becoming increasingly concerned about foreign domination and control; about the fact that the oil industry, the natural gas industry, the auto industry and the mining industry are almost wholly dominated by United States corporations.

Why are Liberal members so touchy about this question? Why does the hon. member for Winnipeg South Centre (Mr. Osler), who comes from one of the foremost and most respected families in Winnipeg, heckle the hon. member for Regina East (Mr. Burton) when he is making his speech? Why is he feeling so touchy about this question?

**Mr. Osler:** On a question of privilege, Mr. Speaker, I would like to impress upon the hon. member that the heckling did not deal with the principle of foreign ownership. It was because in my interpretation the hon. member misquoted the Prime Minister's thrust. The Prime Minister's thrust was for controls on capital, controls that might or might not be necessary, and not whether capital as such was a good or a bad thing.

**Mr. Deputy Speaker:** Order. This is a point of debate; it is hardly a question of privilege.

**Mr. Orlikow:** The hon. member for Winnipeg South Centre rises on a spurious question of privilege. But it is good to see him rise to his feet because he did not have the courtesy to rise while the hon. member for Regina East was speaking. He skulked in his seat and interjected.

**Mr. Osler:** On a further question of privilege, Mr. Speaker, it will probably take until Monday to prove who is right but I think *Hansard* will prove that I did rise on a question of privilege at some stage during the speech by the hon. member's colleague.