

Canada Development Corporation

which need to be done, it will have to take a very long view.

The directors will have to look five years and more into the future. If they are looking for quick returns, they will not be doing the kind of things that need to be done. If they take the long view, the question of earning sufficient profits to pay dividends will be less important if they are not faced with having to pay dividends. If we are to sell shares to the public, surely we will have to be prepared to pay dividends within a short space of time, or we will have to show such an improving or stable earnings record that the future payment of dividends can be assured in order to establish the value of the shares and perhaps some opportunity for appreciation.

It seems to me there will be enough problems in developing and launching the CDC initially, without having to think about problems of this kind. I would argue with the hon. member for Lisgar on this point, that the more independent the CDC can be, the better it will be able to resist the kind of political pressures that he and I are concerned about. The important thing is that the CDC be designed to withstand the kind of political pressures about which we are concerned. It should be designed to meet the test of the marketplace. I urge the House to give the establishment of the CDC favourable consideration, notwithstanding the reservations I have stated this afternoon with respect to the timing of its introduction.

Mr. Rod Thompson (Battleford-Kindersley): Mr. Speaker, I listened with a great deal of attention to the hon. member for Etobicoke (Mr. Gillespie) as he listed, in his own inimitable way, the reservations that he has regarding the CDC. However, I expected something different from him because, as I understand it, the hon. member for Etobicoke is supposed to be in favour of Canadian-based multinational corporations and I thought that perhaps he could tell us how the CDC could help to establish just such firms which I understand he supports. I assume he has his own reasons for not doing so, but I had hoped he would do so and that he would contribute something new in the way of ideas to the debate.

As I understood the hon. member for Etobicoke and other government speakers, they are promoting the bill with the rather uncertain enthusiasm of a middle-aged man paying court to an 18-year old girl. In this case their suit might not be as effective as they would like it to be. We do not criticize the minister or the government for not riding off madly in all directions developing Canada seen or unseen, but we suggest they show a little more enthusiasm for what the CDC could be expected to do.

The hon. member for Waterloo (Mr. Saltsman) and the hon. member for Selkirk (Mr. Rowland) have listed some of our reservations about the bill, but I would like to suggest some things which I feel the CDC could or should be doing. Some of the suggestions which I have might not be ones which the CDC will automatically adopt, but they might consider them at least. If we are going to develop industry in Canada we should be concerned with producing goods and services which are needed and for which people are willing to pay. I do not see any point in

[Mr. Gillespie.]

producing something, either in goods or services, for which there is no market in or out of Canada. We want products that are both economic and reasonable.

A bill such as this should have a positive approach and I suggest that the CDC might look at new ideas. If it does not, then why bother? For example, the Polymer Corporation produces rubber. If it would be in the national interest for it to be under the CDC, I would not argue against that. But if all the CDC is to do is produce rubber or products that are already being manufactured, then why bother? In Manitoba the Atomic Energy Corporation is building a new type of transmission line. They seem to be doing a good job and I have no criticism of them, but if the CDC is to produce something that has already been produced, then why bother?

I will suggest some things which might be considered so that we can have new ideas which can be used. I assume that the CDC will have adequate research funds to look into any new ideas which they will promote, or at least that they will have access to adequate research facilities. They should have sufficient research facilities to prove the product before they attempt to produce it. I think, also, that they should have cost accounting officers among their officials who would be prepared and able to consider these matters in a truly businesslike way, to see whether a certain item might be profitably produced in Canada or for marketing abroad if necessary. Such a corporation must have adequate and efficient business management which will make sound business judgments. There should be a willingness to venture into new fields which I will mention in a moment.

There are certain problems in Canada which should be tackled. For example, in eastern Canada we have not had for a long time a winter as bad as this one. This has caused leaking roofs. Some way of removing ice from the roofs could be considered by the CDC. I do not see why the CDC should have to do it; the building construction people should be doing it. But apparently they are not. Perhaps the CDC should also consider establishing a company to manufacture glass that will not frost. This would be an advantage in Canada. A corporation or a government group in Ottawa has produced a frost foam. This is a new product which might well be produced and promoted in Canada. As a farmer, this is something which I suggest we might use and produce commercially and which might be sold in Canada as well as abroad.

• (4:10 p.m.)

The other day the hon. member for Waterloo mentioned the Laser. Again this is an item we have developed in our government corporations. It was a new thing, a useful thing, but the companies that took over the idea have financial difficulties and inadequate resources with which to do a proper job. This is another area which the Canada Development Corporation should consider. A few days ago we dealt with a textile bill in this House. The intent of the bill was to bring some rationalization to the textile industry. This may be a logical area for the Canada Development Corporation to move into, to help promote new textile products and then perhaps to sell