

government of Canada, whether the board is composed of 18 or 21 members, and even then the government of Canada has the option to appoint four directors only in lieu of exercising its voting rights which come with the holding of voting shares in the corporation. Fourth, clause 42(3) would seem to indicate that the Crown's portion of the voting shares may be allowed to drop below the 10 per cent which the bill suggests to be desirable, thus even further weakening the potential control which the government might exercise over the decision making processes within the corporation. I suggest that taken together these four points demonstrate that the corporation will be no more subject to public control than is Canadian Pacific Investments or Argus Corporation.

In short, the first major objection of the New Democratic Party to this bill is that it does not represent a major step towards meeting our three major economic problems, foreign control of the economy, regional economic disparities, and the need for more jobs. We believe that a Canada Development Corporation as we conceive of it would go a long way towards solving those problems. Our second major objection to the bill as it now stands is equally illustrative of the differences in approach to government between the New Democratic Party and the Liberal government. Our second objection is an argument based upon considerations of equity.

The corporation as conceived by this bill will use as its nucleus tax revenue in the amount of a quarter of a billion dollars over three years, money which will come from all Canadians, including the poor and the economically marginal, who have no money to invest because all their money goes for essentials and for the payment of taxes. This money will be put at the disposal of those with enough surplus money to indulge in investment, so that the money collected from all income groups will be put at the service of a minority who are neither poor, unemployed nor underprivileged. It is difficult to discover any element of equity in such a proposal.

To approach the same point from a different angle it is obvious from a reading of the bill and from unequivocal statements made by its sponsor, the Minister of Finance, that the corporation is simply to be a profit making venture. If we need documentation of that I can refer to clause 6(1) of the bill in which it is stated:

—and shall be carried out in anticipation of profit and in the best interests of the shareholders as a whole.

And clause 6(2):

—so far as it is practicable and profitable to do so—

And clause 6(2)(b) dealing with restriction of investments to corporations where shareholders' equity is likely to become greater than one million dollars.

• (4:50 p.m.)

Taking into account the emphasis which is placed upon profitability by this bill, I suggest that the objectives of the Canada Development Corporation could be achieved equally well, perhaps better, by making the same funds available to Argus Corporation. The minister can argue

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that shares will be offered to the public of Canada, but here it is a demonstrable fact that only 7 per cent of Canadians involve themselves in such speculation. Where is the equity?

Moreover, the bill makes it possible for the corporation to purchase several Crown corporations whose profits have hitherto gone into the general revenue to be applied to the general advantage of all Canadians. I am speaking of Polymer Corporation, Eldorado Mines and the Northern Transportation Corporation. In addition, of course, there is the potential for Panarctic Oils and the Northern Light and Power Commission to be purchased by the corporation. Hitherto any profits made by such ventures would have gone into the general revenues of the country and would have been employed for the benefit of all Canadians. This bill would permit those profits generated because of a collective effort on the part of the Canadian people to be distributed exclusively among that small group of Canadians in a position to purchase shares of the Canada Development Corporation. Where is the equity in that kind of situation?

I believe, Mr. Speaker, that I have said enough to indicate my reasons for supporting the amendment presented by my colleague from Waterloo (Mr. Saltsman), and to explain my fundamental opposition to the bill as it stands. I am sure that my colleagues who will follow me will go into other details of the reasons for our opposition.

May I, in conclusion, quote briefly from the transcript of the CBC viewpoint program of January 27, 1971 in which the speaker was Mr. Claude Henault:

The faults of the Canada Development Corporation plan will become glaringly obvious the day the first corporation holding is sold to a U.S. corporation for profit reasons; the day Polymer, Eldorado and Panarctic, which (the money of the people of Canada developed) pay profits not to (all Canadians) but to a limited number of investors. On that day the Liberal Party will realize that in establishing the Canada Development Corporation it hung an albatross around its neck.

I couldn't improve upon that statement.

The Parliamentary Secretary to the Minister of Regional Economic Expansion in his earlier remarks said in effect: "Thank God the Canada Development Corporation is finally here." He referred to the initial conception of Mr. Walter Gordon and implied to the House that Mr. Gordon probably shares in the delight of hon. members on the other side in this bill. I would suggest to the parliamentary secretary that this bill is but a pale, pale reflection of that which was prepared for introduction in this House in 1963 by Mr. Gordon. I would further suggest that Mr. Gordon is likely to deny paternity and in so doing I believe he would be entirely right.

Mr. Steven E. Paproski (Edmonton Centre): Mr. Speaker, I rise to take part in the debate on Bill C-219, an act to establish the Canada Development Corporation. As a taxpayer, the first question is whether or not the Canadian government should be getting involved in this sort of corporation? It is time we took a good, hard look at some of the existing Crown corporations and government projects and asked ourselves whether it is the function of