

the third world. My oldest son and daughter-in-law spent most of last year in East Africa, mostly in Tanzania. They want to go back there and devote some years of their life to that part of the world. I give them full credit for that. While talking about Canadian economic conditions, they were also talking about the increasing technology besetting us which will shorten the work week. Productivity, apparently, will not be all that important anymore. The great thing will be, how shall we spend our leisure time. It occurred to me that these same children who were speaking about helping people in the third world war—I beg your pardon; I hope that was not a Freudian slip—in the third world perhaps enjoy too much leisure time and are not too productive. In many cases, they are not too happy. That is a value judgment, and perhaps I should not make it lightly.

If our children are as idealistic as I think they are, and if our technology will permit them to work a four day week or work for four years and take one year off, I hope that they will devote their energy to upgrading the lot of the less fortunate in the world rather than sitting back and enjoying themselves in the cocoon, which would soon be broken open and ripped apart if we neglected those people.

I spoke previously of my experience with American businessmen over a period of some 20 years. Much of that time I have spent in the American market. I have found American businessmen to be practical and imaginative people, shrewd and really quite open. They have the same love of country which we have, although they probably wear it on their shoulders a bit more than we do. But if we explain to them, as I have done, that in passing bills like the CDC bill and other measures we are really trying to fulfil our own destiny, to make this a greater country in which to live and a country which will contribute more to society and humanity, they understand. I know that they are willing to understand our concerns and this love of country which we speak about very quietly. They understand our desire to cultivate that which we cherish, because they cherish their own country. Indeed, in many cases, perhaps most cases American businessmen will co-operate with us if we articulate our objectives and provide them with ground rules under which they can function to our mutual profit and fulfilment.

I find this bill, Mr. Speaker, an exciting milestone even in the short period that I have been in Parliament. I am delighted to support this initiative on the part of the Minister of Finance (Mr. Benson) as a major step forward in the enrichment of Canada and of Canadians.

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, the Canada Development Corporation could, if handled properly, perform a useful service in helping Canadians to own and control more of the development of this country. It could do this by providing a vehicle for channelling into the development field a large part of the more than \$1 billion of savings which we Canadians invest each year, half in new savings accounts, and the other half in new Canada Savings Bonds. These funds

Canada Development Corporation

are not now available for investment in new ventures because they are controlled by people who do not have confidence in the stock market because they are not familiar with how it operates and, lacking confidence in its operations, are unwilling to entrust their savings to it.

To make investment in the CDC sufficiently attractive to persuade Canadians that they should invest at least part of their savings in it, the government must make such an investment at least as secure and rewarding as the kind of investments which it would seek to replace. In other words, the government would have to guarantee that the security and return on investment are at least as good as the security and return made available by investment in savings accounts and Canada Savings Bonds. If such guarantees are not forthcoming, investment by the public in CDC shares will simply not take place.

If the government guarantees the security and return on investment, I believe that at least half a billion dollars a year could be added to the capital available for investment in new development enterprises, and would make it possible for Canadians to own and control a great deal more of their development. It would do this without impeding in any way the inflow of capital from outside the country which we need, and will continue to need for quite some time, to help us develop our economy at the pace which will maintain employment and our standard of living at the levels at which we have decided we want them to be.

• (3:50 p.m.)

Now, let us have a look at the pressure which the government will have brought to bear on it to buy up Canadian companies which are for sale and appear likely to be taken over by foreign interests. There is no doubt that keeping Canadian companies in Canadian hands is a very desirable objective. However, if in order to do so it is necessary to divert capital which would otherwise be used to promote new Canadian enterprises, we should give the matter careful consideration before deciding to employ our much needed capital in that way.

By using capital to buy a plant which would otherwise continue operation under foreign ownership, we would not provide one additional job, or one additional dollar of tax revenue for this country. The only justification for doing so would be if the operation of such a company under foreign ownership could clearly be demonstrated to be detrimental to the industry or sovereignty of this country. I think it is obvious that, in the overwhelming majority of cases, capital raised by CDC should be channelled into new enterprises.

Let us take a look at the pressure which will be brought to bear on the CDC to bail out companies which, through mismanagement, obsolescence of product, or for other causes are unable to carry on their operations and appear likely to fold up. As soon as the CDC bill passes the House, as the government's majority will ensure that it will, most, and probably all of the Liberal members of this House, will start to be pressured by companies in their ridings to obtain for them CDC financing to keep them operating.