

for effective implementation. What is obviously needed is an effective way of dealing with the situation I have described—a revitalized and reconstituted Canadian Development Corporation, for example, together with a control instrument which would really do the job.

A great deal of confusion exists as to policy. The hon. member for Duvernay (Mr. Kierans) correctly stated this afternoon that whatever the need for foreign capital in Canada, we were attracting it in the wrong way; we were placing no restrictions on the inflow of equity capital while, on the other hand, discouraging provinces and other institutions from borrowing in the United States.

Mr. Speaker, if there is need for an inflow of capital into Canada, the most effective way of satisfying it while retaining some control over our economy is to allow it to take place in the form of capital borrowing. This, in fact, was the pattern of development in the United States in its earlier years when that country depended on an inflow of capital from Britain. The government is caught amid conflicting priorities. It is encouraging capital investment by offering all kinds of incentives though it is known that in some areas there is a shortage of capital in Canada. On the other hand it has done nothing to bring about a more effective use of labour in Canada by ensuring that Canadians can find employment so as to make a living. After all, more than half a million Canadians are unemployed at the present time. Budgetary policy this spring seems to follow the motto: What is good for the corporations is good for Canada. This seems to be the approach of the Minister of Finance (Mr. Turner).

When we discuss measures of the kind before us, in line with our responsibility to our constituents, we ought to realize fully that we are dealing with a matter which affects the future of this nation, that the future of Canada is at stake and that the decisions we are making now will affect the nature and substance of Canada in the future—indeed, whether there will be a Canada in the future at all. Many of us have a stake in ensuring the development of a healthy society which will reflect concern for those in our community who are least fortunate. It is time the government changed direction and abandoned its present catastrophic course of action.

Mr. Rod Thomson (Battleford-Kindersley): Mr. Speaker, there is some disposition to conclude the debate, so I shall not prolong my remarks unduly. Contrary to all hopes, the government's policy as reflected in the bill before us is similar to its policy in connection with agriculture. It is a stopgap measure, narrow in its viewpoint, shortsighted and deficient in that it allows for no long-term planning. There is no glimpse here of a comprehensive economic plan for Canadian development and the measure suggests no means of increasing and maintaining control over our resources, industries, etc. In effect, it is only running fast to keep from going backward.

• (2120)

Much has been said about the bill and I do not wish to repeat it. However, I do want to kick around for a few minutes some ideas about what we might do in regard to foreign ownership. It seems to me that the present government lacks new business ideas and is not forward looking enough to meet problems in the future. I can think of no

Foreign Takeovers Review Act

better example than the shipping of grain to the west coast. Everybody knows that trade with the Asian rim countries has been improving and we have now sold more grain and other products to that part of the world than the railways can ship. This is very poor business management. I agree that buying boxcars by the government is better than taking no action at all, but I suggest this is a stopgap, ad hoc measure and is typical of what takes place too often in this country. We see much evidence of this sort of thing.

Therefore, why should we be surprised by a bill of this nature that attempts to deal with foreign ownership? Many people have suggested improvements in the shipping of grain, and as a farmer I have made several myself over a number of years. Yet the government still has not produced a long-term plan. It is high time the government made some forward-looking plans to promote Canadian business interests.

I should like to discuss one idea of my own. I suggest that when we use the taxpayers' money to buy shares in a company, or give a company a DREE grant to conduct research that would be worth something to the company be it foreign-owned or otherwise, the taxpayers should receive something back on their investment, on the use of their money. Otherwise why spend the money in the first place? It seems to me we should have a sort of Panarctic approach. If money is given an oil company to prospect for oil in the Arctic, some of the oil should belong to the people.

I also think more thought should be given to the development of Canadian business. I observe the Minister of State for Science and Technology (Mr. Gillespie) in the chamber and I suggest to him, as I have done before, that it is high time someone on the government side produced an industrial strategy that related to items in Canada that we produce very well. An industrial strategy should help Canadian business, which is what we are primarily interested in. A lot is said about foreign capital and foreign ownership as if this were necessarily bad, but the bill before us simply allows a big fish to eat a little fish, provided the cabinet approves, which is a rather negative approach. I suggest that if the government looked after Canadian business, Canadian business would be in a better position to look after itself.

I have another idea I should like to put forward. Suppose a lead-zinc mine—we have several of them in Canada—needed foreign technological know-how or foreign capital for development purposes. We should say to these investors, "If you join hands in partnership with us, we will pay you in lead and zinc. But once we have paid you back, the remainder of the equity in the mine is ours". Let us just consider this idea for a moment. In effect, I am saying that we are not making a very good deal with countries like Japan, Great Britain, Germany and the United States. These countries with technological expertise and spare capital also need resources. My point is that we might make a better deal. We are not as shrewd traders as we might be.

Another point I should like to make is that if we allow these countries to have access to our resources, we should also make a better deal for markets for our manufactured products which are more competitive. A trade-off has