

Borrowing Authority

I would like to give an illustration with respect to borrowing. My province was bankrupt toward the end of the war and had a credit rating of zero or less. It was like the Welsh story. When a soccer game was lost, a man said the score was 20 to zero, and "We were lucky to get zero". That was the case with the credit position of my province in 1944. However, over the course of the next 20 years we borrowed \$600 million just for our power operation alone and another \$250 million for our telephones. We took electricity to every town, village and farm, and we took telephones everywhere. It was a self-liquidating debt, and we now own those services. We borrowed the money in New York, Switzerland, Toronto; you name it. Even Mr. Diefenbaker helped us borrow some money with debentures in 1960, God bless him. That was public borrowing. It was self-liquidating debt. We did it in a little place like ours with less than one million people. Everyone said we were stubble-jumpers and that we did not know how to run anything, but we went ahead and did it anyway. However, it was investment; it was not debt. It was investment; it was not an expenditure, and if this government had the courage of its talk, it would be borrowing twice this much money.

We need \$1 billion a year for the next 15 years just in our transportation system, and my friend, the hon. member for Medicine Hat (Mr. Hargrave) would like to have \$50 million of it spent on stock cars. That would be an investment. The people who ship cattle would pay for those stock cars over the next 30 or 40 years.

But we sit around beating each other's brains out. We are like the hound dog sitting on a cactus. We have all those needles up our backsides, and we just sit and howl.

We need to invest another \$1 billion a year in housing and in the lumber industry. If that requires government borrowing as well as private borrowing, we bloody well should borrow, because it is self-liquidating.

My friend, the hon. member for Vegreville, made a point in the latter part of his remarks to which I listened carefully. I think he was perfectly right. We disagree on how to do it, but there is so much to be done in this country. We have the people with the necessary brains and know-how. We have the resources. We have little or no excuse, when we think of other places. We rely on nineteenth century theory and practice. When are we going to learn? Hon. members opposite and to my right all sound like R. B. Bennett, Herbert Hoover and Mackenzie King. They sound like 1930 all over again.

An hon. Member: Where does Karl Marx fit in?

Mr. Benjamin: My hon. friend has been working very hard. Many of his predecessors in his party and in the party opposite have been working very hard to prove that Karl Marx was right.

Mr. Taylor: You are doing well.

Mr. Benjamin: Karl Marx said that capitalism will destroy itself. If we look around the world, we find that in nation after nation there is greed. When greed and selfishness has been

supreme, people have risen up in rebellion, and the first people who were executed or sent to labour camps were not ex-Nazis or ex-free enterprisers. The first people who were executed or sent to labour camps were former socialists, trade union leaders or co-operative or farm leaders. That is the history of that, which is again why I say that we have not learned anything in 45 years. So-called private enterprise governments in western Europe for decades have adopted a system of borrowing to finance, and the investment is either by the state alone, the state in conjunction with private corporations or a three-way combination with the co-operative movement.

● (2150)

Alberta, believe it or not, has more money sunk into Crown corporations than Saskatchewan. I do not hear them complaining about the borrowings guaranteed by the province of Alberta. I do not hear them complaining about the borrowings for their Crown corporations. I just do not hear them.

An hon. Member: Don't confuse them with the facts.

Mr. Benjamin: Surely the question is not how much is being borrowed, but what is it being borrowed for? Should we be borrowing more for things that should be done for which we have been waiting many years? That is the type of question that should be dealt with in a bill such as C-59.

The repercussions and the results of the mindless Proposition 13 syndrome, which was imported into Canada from California over the last several years, is now catching up to California. What we hear are statements such as: "Too much government taxes. Our property taxes are too high," and so on. This sort of thing has spread like the bubonic plague, but it is now catching up to them and it will catch up here too. It does not matter whether it is a Conservative government, a Liberal government, an NDP government, or whatever, we need to have a planned economy. This fact has been recognized everywhere except in the northern part of North America.

We need a mixed economy. In other words, we should have a plan for the next five, ten, 15 or 20 years. However, if you mentioned a five-year plan 30 years ago, automatically you were labelled a communist. But if General Motors laid out a plan for the next 25 years, that was okay. This is the sort of scenario that we are moving toward. There is no real choice in the route we take no matter which party in this House is in power. Even if you have to hold your nose, you have to get on with it.

Some hon. Members: Oh, oh!

Mr. Benjamin: Even if hon. members do not believe it philosophically, the reality of the survival of a decent, moral and civilized democratic society is a planned and mixed economy. In other words, we must have an industrial strategy, Mr. Speaker. That sort of thing has been proven and shown by example in a host of countries, many of which are not as well off as we are.