

referred, and the IDB. The latter two have been used almost exclusively by Canadian controlled firms.

Let me sum up, Mr. Speaker, and I must say I appreciate the indulgence of the House. The policy measures I have discussed are part of the government's ongoing response to the large volume of foreign direct investment in the country. I do not have to remind hon. members of past steps affecting the major sectors, such as the control of foreign investment in financial institutions, broadcasting, newspapers and periodicals; the establishment of the Canada Development Corporation or the provisions in the tax system to support Canadian controlled business. These measures are not against foreign direct investment in any absolute sense, but seek to recognize the existence of costs and benefits in particular projects, and to maximize the advantages for Canada.

• (1630)

There is no retroactivity or narrow nationalism reflected in this approach, an approach that looks ahead to the future and not backward to the past. The review process is complemented by positive steps to support the development of strong Canadian-controlled business. Better performance from the Canadian business sector will reduce our dependence on foreign investment. These measures, Mr. Speaker, are part of the government's attempt to frame a coherent set of industrial policies which will give to Canadians greater control over their economic future and rising standards of living in all areas of the country.

I would close by repeating that these governmental initiatives in the area of economic policies and programs are designed to bring continued expansion of the economy and further creation of employment along with a greater role for Canadians in their own economic life. They are only one aspect of a throne speech which recognizes the needs of this country and reflects the government's determination to act on those needs.

Mr. James Gillies (Don Valley): Mr. Speaker, I need not tell the House how honoured I feel and what a great privilege it is to be here, in the presence of such eminent Canadians as the right hon. member for Prince Albert (Mr. Diefenbaker) and great political leaders such as the Prime Minister (Mr. Trudeau), the hon. member for York South (Mr. Lewis) and the hon. member for Témiscamingue (Mr. Caouette). Not only is it an honour, but it is also my great good fortune to be serving in a house presided over by you, Mr. Speaker. Long before I came to Ottawa I was told of the distinguished way in which you conducted this house, of your courtesy, your friendliness, your good humour and, particularly, of your great abilities under stress and tension. Of course, I am particularly proud to rise as a member of the party led by that distinguished Canadian, that man of courage, great determination and wisdom, the hon. member for Halifax (Mr. Stanfield).

Some hon. Members: Hear, hear!

Mr. Gillies: I also want to add my congratulations to the mover and seconder to the Address in Reply to the Speech from the Throne and only hope that my remarks will approach theirs in eloquence and substance.

The Address—Mr. Gillies

I am also proud to be a Member of Parliament representing the riding of Don Valley, a relatively new riding. Only one member has represented it previously. It is an urban riding in the city of Toronto, a riding with all the problems of any metropolitan riding in this country at this time.

May I bring to the attention of hon. members on the government side a particular institution which is located in Don Valley. I am speaking of Glendon College, part of York University. Although I realize fully that education is under provincial responsibility, Glendon College is perhaps unique in Canada in that it is a totally bilingual college. Knowing of the government's great interest in developing bilingual programs in Canada, I hope it will see fit to be responsive to the goals of that college.

The problems besetting Don Valley riding are the problems of Canadians in urban areas; the problems of housing, transportation, and, more particularly, those of economics which are plaguing all Canadians today. It is to these issues I wish to turn my attention this afternoon; to those aspects of the Speech from the Throne that are concerned with the economic situation.

I am always surprised so many people believe that the type of economic performance found in any country, province or town is the result of some sort of magic and that they cannot do anything about it. This may have been true 100 years ago, perhaps even 50 years ago, but it has certainly not been true at any time since 1936 when Lord Keynes published his great book, "The General Theory of Employment, Interest and Money."

Some hon. Members: Hear, hear!

Mr. Gillies: It certainly is not true today. The economic position of our country is the result of economic policies we have followed and the economic measures we have enacted; and certainly no one in Canada can say today that our present policies are anything but less than satisfactory. Unemployment, as we learned yesterday, now stands at 6.8 per cent, and will possibly go as high as 7 per cent before the winter is over. Although I am not keen to make international comparisons, the fact is that during the past few years Canada's level of unemployment has been the highest among the industrialized countries of the world. This situation was described by an eminent economist at a recent meeting in Toronto of economists from all over the world as perhaps the most shocking unemployment situation to be seen in any industrialized country of the world.

Some hon. Members: Shame!

Mr. Gillies: As I said, I do not like international comparisons; they are often spurious, but the fact of the matter is that the unemployment rate in Canada is close to 7 per cent while the unemployment rate in the United States seems to be going down to 5 per cent. This is one comparison one can make with a high degree of confidence, because it is well known that the definition of unemployment in the United States is much the same as ours and the way in which unemployment figures are collected in the United States is similar to the way in which they are collected in Canada.