

Interim Supply

After dealing with the extent to which the Canadian heritage is being maintained as the Canadian heritage, but not by Canada for Canadians, Mr. Gray refers to the speeches made last October by the Minister of Trade and Commerce in Milwaukee and Chicago, and says in part:

His speeches were appeals to Americans to try to understand Canada and Canadians. That he should have felt the need to make such speeches is an indication of the work that is required on Canadian-American relations.

Mr. Gray then speaks of the power vested in the Minister of Trade and Commerce and then quotes what he refers to as "Mr. Howe's appeal to American business".

Anyone who does business in Canada should reckon with the pride, and the legitimate pride, of Canadians in their country. In other words, they should reckon with the normal feeling of nationalism which is present in Canada, just as it is in the United States.

I wish to underline the word "nationalism". The minister was using it as I am using it, not in the sense of acute fanaticism but rather in the sense of pride in one's country that is common to citizens throughout the free world. Quoting the minister the article proceeds:

Canadians do not like to be excluded from an opportunity of participating in the fortunes, good or bad, of large-scale enterprise incorporated in Canada but owned abroad. They may not buy many shares, but they resent the exclusion. They do not like to see large-scale Canadian enterprises entirely dependent upon foreign parents for their research and top management.

I underline the last sentence I read. Many of my hon. friends sitting around me in this chamber have pointed out over and over again the need for United States corporations operating in Canada to provide research opportunities in this country for Canadians, instead of spending the major part if not all of their research expenditures in the United States. The minister's comments continue:

They do not like to see the financial results of large-scale Canadian enterprises treated as if they were the exclusive concern of the foreign owners.

Mr. Chairman, those words epitomize what we in the opposition have said time and time again in the last few years, while the government has blindly denied that this situation had any basis in fact. The minister is then reported as saying:

I make bold therefore to offer three suggestions for the consideration of United States corporations establishing branch plants in Canada or searching for and developing Canadian natural resources:—

The minister's suggestions are then set out as follows:

1. Provide opportunities for financial participation by Canadians as minority shareholders in the equities of such corporations operating in Canada.

Those are almost the exact words we in this party have used on numerous occasions during the past several years.

2. Provide greater opportunities for advancement in United States-controlled corporations for Canadians technically competent to hold executive and professional positions.

We have said that numerous times, and in the last year or so there has been a commendable advance in that regard.

3. Provide more and regular information about the operations of such corporations in Canada.

Sir, I cannot understand the government's attitude. These corporations of United States parentage operating in Canada deny Canadians the right to invest in Canadian industry. Take any of these large corporations of United States parentage and you will find that the profits from Canada are sent to the United States.

Mr. McCann: Less 15 per cent.

Mr. Diefenbaker: Yes, less 15 per cent. I was coming to that point, and I thank the minister very much for mentioning it. Is there any reason why the Canadian shareholders in any of these corporations operating in Canada with the parent company in the United States should be subject to a 15 per cent deduction on the dividends issued on the Canadian operation? That is one of the points that should have been met.

Returning to the article Mr. Gray, who has always been a warm admirer of this government, said:

Shortly after these speeches were made by Mr. Howe, I happened to attend a convention of one of the biggest American industries, which has a multi-billion-dollar investment in Canada. I asked the delegates for their reaction to the Howe speeches.

I ask you, Mr. Chairman, to listen to the answer:

In three days none was found who had heard of Mr. Howe, let alone the speeches.

The need for Canadians to realize our heritage and our destiny will not be achieved in a situation such as is revealed in the last words I read from that article. We want to see launched in this country a great development policy under which Canadians will not be denied as they are today the right to join on equal terms with foreign investors coming into our country. We want to ensure that in the days ahead Canadian development to a larger extent than ever before will be brought about through investment by Canadians and thereby maintaining in our country our economic sovereignty.

I say that in the last few days the government finally saw fit, as was revealed yesterday by the Secretary of State for External Affairs, to point out something not in a spirit of