

The Budget—Mr. Grégoire

That is why, each year, we send \$1.2 billion, I believe—at least, that was the figure two years ago—abroad in the form of dividends, profits and interest.

What does the minister say about that? In his budget speech, he says:

We do not want to restrain export demands—we need the proceeds of exports to pay for imports and meet our very heavy obligations in respect of interest and dividends payable outside Canada.

There you have the heavy obligations: interest and dividends payable outside Canada.

Mr. Speaker, I should like to ask the Minister of Finance a question: if the United States had enough money to develop their own country, their natural resources, their industries and their trade and if, in addition, they had enough to go and develop natural resources and industries in South America, Africa, Europe, Asia and Canada, can the minister tell us why we Canadians should not be able to find the credit required to develop our own natural resources, our own industries and our own trade like the Americans have done?

● (3:00 p.m.)

[English]

Mr. Sharp: Mr. Speaker, may I ask the hon. gentleman a question? Is he suggesting that the people of the United States have been converted by his eloquence and are following the policies he has been advocating?

[Translation]

Mr. Grégoire: Mr. Speaker, my eloquence did not win them over. They were converted before that and before the advent of the present Minister of Finance. The United States succeeded in the last hundred years or so, with their own capital and their own credit, in developing their country. Why were we unable to do the same thing and did we have to borrow their capital and credit? The minister is unable to answer. Are we less intelligent or is their Minister of Finance more intelligent? The Americans can do it, not only for themselves, but for South America, Africa, Canada and the countries of Europe. How is it that they have capital to invest throughout the world? Why?

[English]

Mr. Sharp: Mr. Speaker, may I ask the hon. gentleman again whether he is suggesting that the United States should follow Social Credit policies in its administration?

[Translation]

Mr. Grégoire: I am not suggesting that at all, Mr. Speaker. Far from it, but I claim, for instance, that the Americans put into practice at least part of the philosophy of social credit in the sense that they are capable of finding capital and credit to develop their resources, their industries and ours also, whereas we are unable to develop ours. Seventy eight per cent of our natural resources and our industries were developed with American capital. Where did it come from? Could we not have capital to develop our resources, not theirs, or those of Africa or South America, but our own. The Minister of Finance should ask himself how it is that other countries did it and why we were unable to do it, except for 22 per cent, and Americans for 78 per cent. How is it that the United States could do it by themselves? The minister never asked himself that question. He never asked himself why we could never do it alone.

Now, the Minister of Finance is at the complete mercy of the United States or other foreign countries, for they control 78 per cent of our natural resources and industries.

Mr. Speaker, it is precisely because we have not developed our own sources of capital to invest in our natural resources that we must now face heavy obligations related to interest and dividends payable outside Canada. This is interest on capital invested here by Americans and dividends from such capital. We must face our heavy obligations. The phrase is not mine. It was used by the Minister of Finance.

We have our obligations to the United States, while they have none to Canada. I suggest to the Minister of Finance that he should give special consideration in this matter in order to consider the desirability for Canada to develop its own sources of capital and credit. It can use the Bank of Canada for this purpose, so that, in the future, we will no longer need Americans, Englishmen or Europeans to develop our country.

The second problem facing Canada is its balance of payments which will then no longer be a problem but an asset, for Canada is an exporting rather than an importing country, and a comparison between our exports and imports will prove it. When this problem of interests, dividends and profits is solved, our balance of payments will be in our favour.

Mr. Speaker, a third point—