

*The Address—Mr. A. Stewart*

On the contrary I maintain that in the present circumstances it would be a confession of failure. It would be an admission that his administration cannot cope with the problems it should face. It would be nothing less than a retreat from hard realities.

**Mr. Alistair Stewart (Winnipeg North):** Mr. Speaker, having listened to the hon. member for Montmagny-L'Islet (Mr. Lesage) for the last few minutes I am quite convinced that one of the prerequisites of a successful Liberal politician is to have an illimitable amount of gall. We have just heard a former cabinet minister asking the government to express its policy and while I think he has the right to ask for it and the right to expect it I would point out that during the years I have been in parliament I have never listened to a Liberal policy being expressed except what had been filched and stolen from other parties. Now that the Liberals are in opposition they still fail to express any policy because when the hon. member for Algoma East (Mr. Pearson) was asked the other day by a Tory what Liberal policy was with regard to a certain subject the hon. member for Algoma East said, "Our policy is to wait and see what your policy is". Thus we listen to Liberal and Conservative members batting nothing from one to the other.

I want to discuss today certain aspects of Liberal policy in the past which have brought us as a nation to a very precarious situation at the present time. Three years ago I introduced this subject of the extent of United States domination over our economy, and in the last three years the situation has become appreciably worse. There are many sincere people in this country who are very worried about our capacity as a nation to survive. The more pessimistic have told me that within a predictable number of years this House of Commons will be the capital of another American state. I do not happen to share that pessimism but I do think that the situation today, from the point of view of Canadian independence, is extraordinarily serious, and it is this which I want to examine. On February 4, 1955, as found at page 855 of *Hansard*, I had this to say. It aroused the wrath of a good number of people but I am not taking back one word.

Most of the foreign investment here is American, although quite a substantial part is European. And under certain conditions I welcome both. I welcome more European investment because I want to see greater diversity of investment in this country, rather than have us almost in thrall to one country.

But the significant thing is that when one looks at the financial structure of Canada one is struck by the small, the almost insignificant part which Canadian capital itself has played in the opening

up of this country. When I think of the Canadian capitalist I think about what Robert Burns said about the mouse—the "tim'rous beastie". Unquestionably, when it comes to investment in their own country, Canadian capitalists are frightened, cowardly creatures depending always upon outsiders to do the job which they should be doing themselves. They are men without vision, men without confidence, men without any courage whatsoever. I think of what the future of Canada has for all of us, and then I realize that Canadian capitalism has abdicated in favour of the foreigners.

That situation has become even more apparent over the last few years. I repeat what I said about foreign investment. We need it in this country but in doses not so great that it threatens the independence of Canada. The speech I made at that time aroused the ire of Mr. Grant Dexter, one of the most respected members of the press gallery and one for whom I have a decided personal liking, although I must say he is constantly blinded by Liberal blinkers. He wrote in the *Free Press*:

Suggestions that Canadian investors are timorous or that we are in danger of being enthralled or enslaved by foreign capitalists must be set down to socialist rhetoric. The truth is otherwise.

I am sure Mr. Dexter would be the first to admit today that the truth is not otherwise. I want to call one or two witnesses. The first is a most reliable one despite Mr. Dexter's concept. I mean the editor of the *Financial Post*. The *Financial Post* had this to say editorially a short while ago:

Canada now finds itself with around 60 per cent of its industrial machine and a high percentage of its raw materials owned by foreign corporations. That means a great many of the big decisions affecting this nation and its people are made outside the country and the pace of foreign ownership is increasing.

When I am told that over 60 per cent of Canadian industry and very much more of Canadian raw materials are owned by foreign capitalists I wonder what is wrong with our own capitalists, and I accuse them, and rightly so, of cowardice in letting outsiders come in and do the job which they themselves should be doing. When I am told by the editor of the *Financial Post* that a great many of the big decisions affecting this country are made outside of it, then I adhere to my original words that we are living in a state of thralldom to a foreign country.

But there are other witnesses one can call. For instance, in the Canadian Journal of Economic and Political Science of November last year there was a most interesting article by two members of the dominion bureau of statistics, Messrs. C. D. Blyth and E. B. Carty, who have done some extraordinarily good work in the field of Canada's balance of payments. They had this to say:

No other nation as highly industrialized as Canada has such a large proportion of industry controlled by non-resident concerns.

[Mr. Lesage.]