

*National Economic Development Board*

useful and penetrating definition of the functions of an organized society. He was dealing with Rome and the fall of Rome and he said:

When Rome ceased to be a project of things to be done tomorrow the Roman empire collapsed.

It seems to me that is a definition of an economy, a society and a nation that is pretty hard to beat—a project of things to be done tomorrow, and I have an uneasy feeling that many of those speaking today of rehabilitating our economy, setting it on its feet and promoting our economic growth, are not actually considering a project of things to be done tomorrow but are considering doing tomorrow the same things we are doing today, but perhaps doing it on a larger scale.

The minister has said Canada is unique. I would not go so far as to say Canada is unique, but I would go so far as to say that there are a number of problems which Canada finds can only be dealt with by very drastic and firm steps. The problems are mainly three in number. One is the very dangerous centripetal force in our society that is continually drawing our people, our industry and our wealth into one central area to the impoverishment of the surrounding and peripheral areas. In that connection I would remind my hon. friend from Essex East that there was a suggestion, which I think came from a commission headed by one of his colleagues, that the best way to solve that problem in one area was to move the people out. Somehow that suggestion has not met with an enthusiastic response from the inhabitants of that area.

The second of our problems is one upon which the hon. member for Red Deer touched briefly, the problem of the imbalance in our economy whereby we rely to such a very large extent on imports for our daily living, and the third, which is in part the result of the second, is the tremendous amount of United States investment in our economy and which most people now recognize threatens our very economic and national independence.

I do not think, Mr. Chairman, that we are going to deal with problems of that nature by a judicious and careful application of the carrot and stick method. I think we are going to have to take some decided action ourselves in the form of investment in these areas, and investment in secondary industry by public funds.

I would again like to quote the people who at the present time have the responsibility of handling France's economic planning. Mr. Masse, the present commissioner of planning in France, has said that the time is coming when the living conditions of the people will depend more and more on

the development of collective services and enterprises. A colleague of his, Mr. Gruson, in a recent speech to a group of international experts had this to say:

We must not conclude that the same techniques and mechanisms of growth will in future guarantee a strong and continuing growth.

Those methods and techniques are ones which have been developed more recently in France and go by the general name of "indicative planning," that is to say, planning that is confined merely to indicating the areas to which the authorities think the business world should move.

France also has had the experience of facing exactly the same problem we have had in the impoverishment of rural areas and the congestion of urban areas. The trade union movement in France has recently been urging wider powers for the planning commission to get industry into these areas or, failing that, have been demanding the establishment of public enterprises in them.

Any plan in Canada to deal with our economic problems which does not have as a prominent feature massive investment of public funds in enterprises to rehabilitate distressed areas and to build up our secondary industry in order to reduce our dependence on imports, will be merely a meaningless gesture. I would also suggest that there is only one place from which the funds and resources to undertake such investment can come, and that is from the surpluses of our present productive machinery. It is true enough that we can, in certain circumstances, draw an advance on those surpluses, but in the end those surpluses have to pay for it.

In an earlier debate in this house I placed on *Hansard* some of the figures regarding the surpluses that are accumulating today in the hands of the large corporate institutes of Canada, and I suggested at that time that the government would have to consider a revision of its taxation program in order to make available for these necessary social and economic purposes the funds that will be required. I shall not, of course, be very popular with the people who conduct these corporations.

I have a clipping here from the *Globe and Mail* of today's date in which the corporation taxes of Canada are called a menace which, within 10 years, is going to usher in socialism. If I had that confidence I would be quite happy. It would please me very much but obviously the gentleman concerned, Mr. Capon, the vice president of Du Pont of Canada, is going to fight to the last ditch against just precisely the sort of thing I have been outlining and the proposals to which I notice the hon. member for Essex East was