

with foreign investments would retard Canada's growth by reducing capital inflow, and cause the using of Canadian resources to buy back established enterprises rather than start new ones. It would also cause a corresponding reduction in the importation of technology and know-how which goes with direct investment, rather than bonded debt. It would result in an increased debt investment, and it would dislocate international capital markets.

I am sure that the White Paper on this subject will fully recognize these basic economic laws and will take into full consideration our great financial needs.

Honourable senators, we must be pleased to note that the Government plans to create, under the direction of the Department of Agriculture, a special team entrusted with defining the goals in the field of agriculture and with making recommendations on how to implement them.

It is generally believed that, with the exception of grain-growing out West, our whole approach to agriculture, to its techniques, the marketing of products as well here as abroad, is in urgent need of revision. The economic drain caused by the spending of an important part of our budget on food imports, holds all the basic elements of serious difficulties which might plague the economy of Canada.

In eastern Canada, the number of our farmers is decreasing because of poverty, destitution and lack of facilities and comfort on the farms, while our imports of foodstuffs are increasing considerably, in spite of the so-called off-season high prices.

It was said that our climate caused all our agricultural difficulties. Personally, I think that this does not account for the actual situation. In eastern Canada, agricultural economy, marketing and research concerning markets and the sale of agricultural products must be reconsidered; scientific research or an investigation could be undertaken in this field, to enable us to regain some ground and to meet our needs by our own means.

According to projections, our population will reach 150 million at the time of our next centennial. It seems to me, honourable senators, that this group will have to reconsider many notions which prevail at present in agriculture.

Let me recall the recent statements of Dr. Grindley, one of the best known agricultural economists and, for many years, the chief of

the agricultural division of the Dominion Bureau of Statistics:

As we enter our second centennial as a nation, the future of Canadian agriculture cannot be adequately considered without some reflection on the past and without observing the trends already noticeable. The farm movement has not yet been truly accepted and there are more dark clouds than rainbows awaiting us. The whole farm movement continues to show considerable uncertainty, discontent and division. There will be no obviously apparent direction due to a lack of a common philosophy. The whole concept of soil cultivation will have to be reconsidered from its very basis and compared to large scale cultivation in far-off areas under a benevolent sun.

We have witnessed a decrease of our rural population from 70 per cent to 7 per cent since Confederation.

Even though everybody realizes it is now a much more productive force than before, we depend at present to a great extent on foreign countries for our foodstuffs. Canadian agriculture, especially in eastern Canada, could contribute more to our economic development, by deriving new values from our soil without draining our resources for all that. Unfortunately, it has become one of our country's problems.

The Speech from the Throne mentions new Canadian legislation concerning water resources which will serve as a basis for the improvement and implementation of a national water policy, thereby helping to do away with much of the present confusion in this field. We welcome the fact that constructive measures will be taken in Canada to eliminate as much as possible this great evil of water pollution.

We now witness the tragedy of Lake Erie and the pollution of many lakes and rivers that have become actual public hazards. It would also be to our advantage to include in our considerations all other types of pollution which cause large scale problems.

In some areas, the air is fouled by harmful acids and carbons declared prejudicial to public health and, as a consequence, water is dangerous in many places. Of course, it may be difficult to demand strict water control to prevent this pollution which, in some cases, is caused by industries. However, there are excellent economic means which may permit an adequate control.