

*National Economic Development Board*

in which business, labour, agriculture and other primary producers and consumers would all be adequately represented.

I wish to point out that in Sweden, which has probably blazed the trail in democratic economic planning, the role of the economic advisory council has been most effective. Hon. members who have read Dr. Gunnar Myrdal's book, "Beyond the Welfare State" will recall he points out that the work of the economic advisory council has been so effective in agreeing on tying wages to productivity, and on other basic problems, that Sweden has not had a major labour dispute in 21 years and that there is less labour legislation today in Sweden than there is in Canada, as many of the basic conflicts have been resolved at the planning stage.

**An hon. Member:** Tell us about Saskatchewan.

**Mr. Douglas:** I should be very glad to tell my hon. friend about Saskatchewan if he wants to know some time. A good deal of effective planning has been done in that province. I shall be glad to tell my hon. friend about it if he wishes to know.

**Mr. Pickersgill:** Will the hon. gentleman permit me to ask him a question?

**Mr. Douglas:** Yes.

**Mr. Pickersgill:** If I heard him aright, he said that he conceived of this council as something responsible to a minister. Does he think the minister should be in another place?

**Mr. Douglas:** Not only do I think that the planning agency should be responsible to a minister but it should be chaired by a minister. I think that the chairman and the deputy chairman should be ministers of the crown sitting in the House of Commons, answerable to members of the House of Commons and elected by the people.

I believe this, as I think this planning agency must be more than merely an advisory group making recommendations. I think they should be preparing plans for submission to the cabinet and that those plans, in so far as they effect federal matters, should then be presented to the parliament of Canada. As the minister pointed out, we are in a federal system and planning the federal segment of our economy alone would mean, of course, that we would be only partially successful in stimulating our economy. Therefore there must be participation not only by the major economic groups but also by the provinces.

There are a number of ways that the provinces could be tied into an economic planning program. One would be to have an annual prime ministers conference with

a permanent secretariat and a department of federal-provincial relations so as to coordinate the work of the federal and provincial planning agencies. There could also be set up regional planning boards on which the provinces would be represented along with the federal government. In this way the central planning agency working with the economic advisory council would be able to prepare plans for submission to the cabinet, with those matters which pertain to federal jurisdiction coming to parliament and going on to the departments affected while those matters which require provincial participation would be dealt with through the regional boards and by the provincial planning organizations.

If planning is to be effective, it seems to me absolutely vital that the agency must be one that is tied in directly with the cabinet, with a minister on that board responsible to the cabinet and responsible to the House of Commons. It is absolutely essential that in the planning process the major economic groups be represented and have a voice in formulating plans which they themselves are going to help carry out. It is imperative that the provinces, through regional boards and through a federal-provincial relations department, should have an important part in working out plans in a country which is not only federal in character but which is also binational, bicultural and bilingual.

It is sometimes said, Mr. Chairman, that planning will curtail freedom. On the contrary, we believe it is the unplanned economy that curtails freedom. In the unplanned economy major decisions are not made by the average citizen or by his parliamentary representatives. They are made by a relatively small group of men who sit on boards of directors of a few large corporations and financial institutions. The people generally in this country have very little to say about how their economy will perform or what it will produce. These things just happen and it is beyond the capacity of the average citizen to do anything about it.

If the people had the right to choose, I think they would prefer to see our financial, natural and human resources so allocated as to raise our standard of living. I think they would give a much higher priority to investment in education, medical care, housing and other socially desirable projects. I even dare to think that they would be much less favourable to some of the mammoth investments we are now making in advertising soaps, deodorants, longer tail fins and striped toothpaste.

I submit that we in the parliament of Canada are deluding ourselves if we think