

is disappointing, if you stop and think about it, is that for more than a decade now government intervention has been increasing in the production and marketing sectors of the Canadian economy. It has been increasing in the name of equity and in the name of efficiency, but without any noticeable success. The direction which this government has taken has not helped things, it has made things worse. We are heading further and further in the wrong direction.

What troubles many Canadians is the fact that the government will be deciding who will be the winners and who will be the losers. If you are in an industry friendly with the government and situated in an area which is friends with the government, you might be all right. But if you are not, it is just tough luck.

I submit that this approach will clearly suppress the spirit of creativity. It will suppress innovation and will damage productivity. I submit to you, Mr. Speaker, that this philosophy is a recipe for further economic stagnation. It will discourage initiative. It will penalize thrift and it will smother the entrepreneurial spirit of Canadians, which is still alive and well but requires a hospitable environment within which it can function.

My submission to you, Sir, is that the route that we are on will clearly accelerate the demise of the private sector in this country, the major engine and thrust of job-creation activity in this country, particularly the small enterprisers. I am told studies reveal that in North America more than two thirds of all jobs created over the last ten years have been created by small business. It is also interesting to note that 80 per cent of those jobs have been created by small businesses that have been in business for less than five years.

This budget and this approach is killing the incentive for new business and for new small business to start up.

Mr. Fennell: They are all starting up in the United States, not here.

Mr. Mazankowski: What is happening is that we are replacing the private enterprise economy with a controlled economy which will be steered by an army of bureaucrats and political manipulators.

It was interesting to note that Mr. Blakeney and the new socialist Premier of Manitoba liked the document very much because it conforms to their belief that the more government intervention the better, the more control the better. It really is a product of a government that has some very deep socialistic convictions.

It is within this context that we do have some very legitimate concerns about this piece of legislation. It provides for a number of things that we will have to examine very closely when we get into committee. It raises the point of who will be in and who will be out, who will be a winner and who will be a loser.

If you take a look at the food sector in the communist countries and their centrally controlled economies, their dictates are run by the bureaucracy in the capital cities of their

countries. But that system does not work. There is only one country that produces more food than it consumes domestically, and that is Hungary because it has moved away from that centrally controlled approach. Hungary seems to be attempting to move away from a centrally controlled thrust, but Canada is moving toward it.

The Minister of Agriculture (Mr. Whelan) has travelled a great deal. I am sure he has seen what has happened in those countries. But he must be on the same road as these socialistic tendencies that are not working in other countries, and I find that very sad.

Mr. Whelan: It is wrong.

Mr. Mazankowski: He says it is very wrong. But look at the powers. Look at the bill.

Mr. Wilson: Tighten up the powers.

Mr. Mazankowski: The bill permits Canagrex to make contracts, enter into joint ventures, provide grants and contributions, give loans, make loan guarantees, charge for services; also to hold property, purchase, package, process, store, insure, import and export agricultural products.

The bill in Clause 14(c) allows Canagrex to enter into contracts with Canadian individuals, with firms and marketing boards. It permits Canagrex again to enter into joint ventures. Here is the clincher. With respect to grants and contributions, the bill states again in Clause 14:

—subject to conditions of general application prescribed by the governor in council—

In other words, grants and contributions will be provided at the political whim of the cabinet. That is how grants and contributions will be handed out. Canagrex will be able to buy and lease property, warehouses and containers. We had a briefing yesterday. The minister's officials were very keen on building warehouses under joint ventures in Third World countries. That is certainly very interesting.

Now we come to loans and guarantees. Here again, subject to conditions of general application Canagrex will make loans and guarantees. Here is another one. This bill gives the governor in council directive powers over Canagrex and will ensure that the operations of Canagrex will be consistent with Canada's over-all trade and foreign policy objectives. My God, here again is a very fundamental point: Canagrex can be directed specifically at the political whim of the cabinet. Given this government's foreign policy, and especially with the attitude of the Prime Minister (Mr. Trudeau) toward Poland, you really wonder just where that might lead us.

● (1240)

There are some serious questions, Mr. Speaker, about this particular piece of legislation. Rather than standing alone, it has to be viewed in the context of the government's over-all approach to manipulating and managing the economy. There is no question that we need to export more. Agriculture accounts for, I believe, roughly 13 per cent of our total exports.