

economic unity. Canada can never achieve real greatness while only three or four provinces are prosperous and the other six or seven live on a hit or miss basis.

Another field in which assistance can be given is that of tariffs. I suggest that there should be a complete examination by the Tariff Board, or some other responsible body, to determine which tariffs bear too heavily and unjustly upon the Atlantic area and to propose remedies to correct such a situation. I recall that several years ago a Nova Scotian manufacturer was endeavouring to expand his markets to Quebec and Ontario. He made a product, and still does, that compares very favourably with any made in this country. Because of tariff restrictions he was compelled to purchase the containers for his product from manufacturers in central Canada. He paid freight on the containers to Halifax, and when he shipped his product he again paid freight on the containers from Halifax to points in Quebec and Ontario. Imagine his chagrin when he discovered that the manufacturers of the containers had zoned an area in Quebec and Ontario within which they absorbed the freight rates, but they declined to extend that service to the customer in Halifax. Under such circumstances how can an eastern manufacturer hope to compete?

I am no lover of tariffs. I concede, however, that there may be circumstances under which they are necessary. But this I should like to say: When the Government of Canada lays down a tariff, the full benefit of that tariff should apply to all the people of Canada and not to a certain few only. An examination of the tariff structure would perhaps reveal many inequities which, if corrected, would greatly assist the Maritime economy.

Now honourable senators, I come to my final point, that of risk capital. We in Nova Scotia are not a wealthy people. One of the reasons why we have what might be called a backward economy is the lack of risk capital. The Government of the day is at the present time endeavouring to propagate a scheme by which it would match dollar for dollar of risk capital put up by any agency within the province. This scheme would assist persons already in business, and enable those who desire to get into business to do so. It indicates the extremity in which we find ourselves.

When the Industrial Development Bank was set up some years ago we had hopes that it was the answer to our problem. But what a great disappointment we met with. I have in my hand the annual report of that bank for the year 1956, and on the flyleaf I read this:

Whereas it is desirable to establish an industrial development bank to promote the economic welfare of Canada by increasing the effectiveness of monetary action through ensuring the availability

of credit to industrial enterprises which may reasonably be expected to prove successful if a high level of national income and employment is maintained, by supplementing the activities of other lenders and by providing capital assistance to industry with particular consideration to the financing problems of small enterprises . . .

As I say, we regarded this bank as a ray of hope. Here, we thought, was a bank set up by a wise Government, which recognized that certain disabilities exist in some sections of Canada which do not obtain elsewhere, and authorized the bank to assist the economy of those areas which need assistance. Now, there is nothing wrong with the intent and purpose of the Industrial Development Bank, as exemplified by the act under which it was set up, but there is a great deal wrong with its operations. Its operations parallel those of the chartered banks so closely that it fails to provide worthwhile assistance to those sections of Canada where it is badly needed.

In reading the report of the bank I note that it points with pride, and perhaps justifiably so, to the fact that it had a profit last year of \$1,322,210, and that its reserve fund now stands at \$8,706,000. While there is nothing wrong with making money, I submit that was not the intent of the Government which set up this bank. The thought behind it was that this organization would do a job for people scattered throughout many sections of the country who now find themselves unable to finance their needs because of the rigid regulations of the standard banks. This financial institution seemed to signify a return to the old-fashioned system of credit, when a man's record and competency were the determining factors. But not so.

Lastly, as a means of implementing the Atlantic economy, I suggest a redrafting of the Industrial Development Bank Act, so as to make risk capital available where it is most urgently needed, in the less prosperous provinces of Canada. I suggest further that the redraft be so clearly and explicitly worded that nothing will be left to the interpretation of well-meaning but unknowing officials who, unwittingly, oftentimes do more harm than many sessions of Parliament can repair.

Honourable senators, you have been most indulgent. If I have spoken with undue feeling I hope you will attribute it to the fact that, like you, I am very fond of the province of my birth and of its people. I do not argue that the people of Nova Scotia are greater than those of any other part of Canada. But to me they have a sweetness and a charm that are unexcelled. They have a way of life which they would not exchange for all the material things the world could offer them. I would not be happy if I had to live too long away from that little peninsula.