

Natural Resources—Development

the first place it was the governments of Quebec and Newfoundland which gave the exploration companies leases over a period of years to explore and develop. But when the application came before the house for a franchise to build a railroad into northern Quebec, and there were a lot of other concessions along with it, again I and other members of this group pointed out that these exploration companies with Canadian names that were getting the franchise were merely a front for large United States interests such as M. A. Hanna Company, the National Steel Company and others who were getting the iron ore resources and the franchise for the railroad to exploit the ore in Ungava and Labrador.

We suggested at that time that the bill to grant the railway franchise should be sent back to a committee so its implications could be studied. We also suggested that the federal government should hold at least 51 per cent of the shares in that development in the right of the Canadian people if risk capital could not be found in Canada to hold at least some of the shares for the Canadian people. We were not supported then. I suggest to my hon. friend that the time to decide about holding these resources is when legislation is going through the house and through the legislatures of the provinces for the purpose of farming them out. We pointed out particularly with respect to the iron ore resources that the future of North America depends on steel. It runs all through our economy. The section of North America that controls the iron ore resources of Ungava and Newfoundland will be able to place in the hands of the government of that section the future development of North America.

Not much attention was paid to those arguments, and today the legislation is there. To get the kind of national development suggested by the Leader of the Opposition it would be necessary to abrogate those agreements and it would be necessary to get the provincial governments to go along with the abrogation. It is all right to move this kind of amendment, but as far as I am concerned I should like to remain within the realm of the things we can do rather than suggest things that I am pretty sure are practically impossible today.

To say that the federal government should enter upon a national development program also presupposes that the government should set up a fund for the purpose of developing our resources where risk capital cannot be found, and unless the fund goes along with such a development policy it will not be very successful. The government will also have to have the power to enforce such a policy,

something they have not got at the present time with the exception of the power to make public works available, and so forth. But I am afraid I cannot see how this particular piece of machinery could be put to work, because all the things that are presupposed in the amendment have already been decided by acts of parliament and of the legislatures. That is something that will be pretty hard to undo.

Mr. Nowlan: Nonsense.

Mr. Gillis: All right, you tell me when you get up.

Mr. Nowlan: I will.

Mr. Gillis: How are you going to get control of the pipe line?

Mr. Nowlan: I never knew you to be a defeatist before.

Mr. Gillis: I am stating facts. I am not playing politics. Before I am through I am going to tell the government some things they can do.

Mr. Nowlan: That is good. Go ahead and do that.

Mr. Gillis: But do not try to fool us with this kind of hogwash. Our iron ore resources and the pipe lines carrying gas and oil were farmed out to United States interests with the acquiescence of my hon. friends the Tories. Then the St. Lawrence seaway project came along, a project that just means the development of hydro power in central Canada as far as I am concerned, and in addition the provision of a seaway for the Americans to haul the iron ore up the lakes.

Mr. Knight: In American boats.

Mr. Gillis: I was the only person in the house who rose and protested along the lines suggested here this afternoon, namely that any large public investment made by the people of Canada through the taxpayers' money should at least bring some results to other sections of the country. But today, of course, everybody can see what the implications of these things are going to be.

I am just mentioning these few points in order to bring this discussion back into the realm of realism and to face facts as they are. As far as I am concerned, I am prepared to give the federal government the powers to do the kind of job suggested in this particular resolution. If my hon. friends are prepared to do that, they should say so. But if it is merely a matter of talking about it and advancing a great many nice words, telling a nice story that can be publicized across the country without any possibility of bringing that particular program into effect, that is