

*Business of Supply*

real interest in overcoming regional economic disparity or high levels of unemployment and other things in which the public would like to see them take a general interest. To achieve their purpose they spend billions of dollars to encourage an economy almost completely based on private consumption for its economic viability and, of course, they spend billions to try to develop the idea through advertising that the infinite consumer is likely to be an infinitely happy man, which is psychologically damaging for people.

What I believe is most relevant to the debate this afternoon is that these corporations through all their contacts and power discourage public spending, government spending of any sort. Any increase in the government power is discouraged. This is done, of course, because it would follow that if more of our capital is influenced or guided by government decision-making the dominant role of the corporations in the economy necessarily would diminish. It is worth pointing out some of the areas in which they do not want any public say. They do not want anything to be said about pricing, about investment, about buying and, of course, about any increases in taxes. At the same time the corporations are very eager to have special tax holidays, quicker write-off policies and, of course, lucrative research and development contracts especially if they are in defence-oriented industry because they do not have to repay them.

What are some of the effects of this kind of economy? First, social goods as opposed to consumer goods receive almost no attention in terms of capital investment. This means we have fewer schools, hospitals, urban renewal projects and social security schemes. A second item which is more relevant to the debate this afternoon is the serious effect of the government's counter-cyclical policies. Right now we are cutting back on expenditures in every government department instead of increasing them as we should be with our high levels of unemployment. We are doing this in the public sector only because of the pervasive influence of the corporations.

● (4:20 p.m.)

I believe a very meaningful question to ask would be why we should be discriminating in favour of the private corporation. If there comes a time—not the present—when a cutting back in investment is required, what is necessary from a socially equitable point of view is to have a government that would make important decisions about priorities.

[Mr. Broadbent.]

The government should have some say whether we need more gas stations at a particular time, more office buildings, investment that will produce a new multi-coloured television set, and so on. If we are going to cut back, the government should have the right, and indeed should assume the moral responsibility to cut back on what may be regarded at a particular time as unneeded additions and developments in the private sector. It follows from this that it should have the right and moral responsibility to say we will not cut back in certain important public sectors. Indeed, even if it is a time of inflation we may want to expand seriously certain public programs because there is a serious public need for them.

It is for this reason that the New Democratic Party recommends the kind of shift in governmental orientation that neither the Conservative nor the Liberal parties as they are currently constituted could possibly support. We want meaningful implementation of the Carter report. We do not believe, as is often suggested, that we can provide all kinds of programs and get the money out of the air in some mystical fashion. We say we could start making a meaningful shift in the investment of money. We could start shifting it in a serious way from certain private sectors into the public sector. This is not making money out of nothing. It means also that where there is a needed increase in taxation we should take seriously the proposals made by able and knowledgeable people such as those who produced the Carter report.

It also means that if we want to shift away from the branch plant kind of economy to encourage our own research and development and the employment of Canadian graduate students in Canada, we should take very seriously the recommendations of the Watkins report. This, again, is something that neither of the other two parties seems at all interested in doing. It also means that we should set up a prices review board which will deal in a meaningful way with the corporate power structure and will not allow corporations which are not at all responsive to market demands to, in effect, tax the Canadian people year after year by increasing prices at will.

Finally, the New Democratic Party is firmly convinced that it is necessary to start guiding the investment funds collected by our insurance companies. This means either indirect controls by stipulating in advance that a certain percentage of their funds must go into