

*National Economic Development Board*

at that time and still belong today. These proposals for some measure of economic order and planning in our economy were rejected in almost the same terms as the hon. member quoted the Conservatives using in rejecting his proposal more recently.

I am also interested to find that the heart of this new board's task is to be to advise the government, to study and advise on economic trends. It would be nice to know, Mr. Chairman, just what is meant by an advisory capacity. If it means what apparently it seems to mean in the minister's words, then we are going to have an organization set up to duplicate the extremely competent work of the statisticians and economists in the dominion bureau of statistics, and the equally competent statisticians and economists at the Bank of Canada because the minister tells us that is to be their main function, to assess and analyse economic trends, to study and advise on economic trends. Those were his words as I took them down. I admit he may have slipped in something else in the rather voluminous mass of words he produced. However, he seemed to me to underline this limitation on the board's functions when he made reference to the experience of other countries. He directly and firmly rejected them and told us that we in Canada were completely unique. We must have a completely unique approach to this problem. We must abandon any thought that we can learn from others, principally because in those countries they have not quite the addiction to private enterprise that the hon. minister and his colleagues and his Liberal opponents would have Canada adhere to.

I may say I was interested when I heard the hon. member for Essex East citing the experience of France as something we should follow. I wondered then how long it is since the hon. member has examined what was done in France after the war, and the steps that were taken there to put France's economic house in order. They were certainly steps that went far beyond anything I have heard the hon. member for Essex East or any of his colleagues suggest in this house. In fact, he specifically rejected them. A very important part of the work of planning in France after the war consisted of an extensive program of nationalization which included coal mining, all gas and electricity, the principal insurance companies, the Bank of France, the principal savings banks and institutions. In addition, there was a rigid government control imposed on the actions of the trading bank and, of course, there were a number of specific instances of nationalization such as that of the Gnome-Rhone, Lorraine and Renault aviation engine factories and

the Renault motor car factory. In addition, it should be noted that the French railways had already been nationalized before the war.

There were some elements of the French economy that were not nationalized but were rationalized, that is modernized with the help of public funds. One of these was the steel industry, and 30 per cent of the internal debt of that industry is held by the public authority. The most interesting part of the French experience is what has happened in recent years. This was the work of a planning commission, the Commissariat au Plan.

Later another body came into the picture, very similar to the body that has been proposed tonight by the Minister of Finance and which was proposed a few years ago by the hon. member for Essex East, an advisory economic council. Apparently from that point on the rehabilitation of France began to slow up until finally it hit quite a lot of trouble.

From all comments, literature and articles which I have been able to read on the French plan, I have been driven to the conclusion that following the first flush of quite drastic, clear cut policies after the war, a new element came into the picture. One can readily understand that right after the war, when the whole of the business and financial community in France was discredited by its Nazi and Vichy associations, there would be very few in that country who would have the power, or indeed would dare to oppose the plan of Mr. Monnet of the Commissariat au Plan, but once the economy had been put on its feet there was still sufficient power left in the private sector of the economy to cause the setting up of one version of the economic council in 1951 and a later version in 1958 which then apparently assumed virtually the powers of the French assembly, as one commentator put it, because they were the ones who reviewed and passed on the plans of the commissariat.

I am not suggesting that one can expect either the Conservative government or the Liberal opposition to follow the path trod by the French after the war, but I do suggest that perhaps we should, when we are facing this problem of economic rehabilitation, face all of the facts in Canada and not content ourselves, as the minister does, by suggesting we are unique and therefore must have some unique solutions.

I think we have first of all to decide what we want to do with our economy because today many people seem to think an economy is an end in itself instead of a means to an end. Some time ago I was reading a book by Jose Ortega, the Spanish philosopher and writer, in which I came across an extremely