

*Natural Resources—Development*

Certainly there is a problem here to be met. Last year the Minister of Trade and Commerce scoffed at the suggestion that there was anything wrong with the way Canadian resources were being exploited by foreign concerns. But then, after the house rose, he made a speech to American businessmen which was really a repetition of the points raised by Hon. Mr. Drew last session and repeated today by the present Leader of the Opposition. I would like to read to the house a comment in the *Victoria daily Colonist* concerning the visit made by the minister to Chicago:

Rather like an elderly ram addressing an audience of wolves, C. D. Howe asks American industrialists to be kind to Canada.

He travelled to Chicago recently and pleaded with United States corporations to allow Canadians a bigger share in Canadian resources.

He thus became the first Canadian minister of state to enter a foreign country with hat in hand, and mildly suggest that foreign industrialists let us keep some of Canada for ourselves.

This question cannot be shrugged off. It has to be faced. But this session, unfortunately, the government does not appear to be lifting one little finger to deal with it. Mr. Speaker, the indifference of the government to this problem of processing more of our natural resources in Canada, to our unfavourable trade balance and to the need for encouraging the wider financial participation by Canadians in the development of their own resources, and the complacency of the government with regard to the whole situation is leading Canada into a position of economic colonialism vis-a-vis the United States.

We believe that Canada can be one of the great nations of the world in her own right, but only by adopting without further delay a national development policy of the type suggested in our amendment.

**Mr. Clarence Gillis (Cape Breton South):** Mr. Speaker, I have listened to the debate so far with a great deal of interest, and I have been looking at this amendment for the last few hours, forming my own opinions as to whether it can be implemented or otherwise.

The language of the amendment is, of course, all right. There is nothing wrong with it. And, as other speakers have pointed out, the main part of the amendment concerns the development of a national policy to exploit our own natural resources.

If I were a newcomer in the house and did not know the background of farming out our resources I would be inclined to go along with the arguments I have been listening to; but having been here for some considerable time, having taken part in similar discussions over the years and, in fact, having initiated discussions of this kind by

[Mr. Green.]

resolution and in other ways, I think the arguments being advanced at this time are a little bit late and rather impractical, to say the least.

During the course of presenting his arguments leading up to the amendment the Leader of the Opposition made it quite clear that the national development policy he advocates must be brought about within the ambit of free enterprise. I said a moment ago that I consider the proposition impractical in the light of the circumstances surrounding the development of our resources today. For a start I should like to ask him how he proposes to get co-operation from the headquarters of the large United States organizations, located mainly in New York city, which have secured certain rights under leases granted particularly by the legislatures of this country. How is he going to bring these companies into a partnership that would help to develop the resources of Canada which they have today under lease?

Second, I should like to point out this fact. When we ask the federal government to implement a Canada-wide national development program we should remember that the resources of the country are in the hands of the provinces and the federal government has no authority under the British North America Act, unless we want to change it, to go into the provinces and do anything with respect to the development of resources.

Third, I should like to make this point. I said a moment ago that this debate was rather late, and I say that for the reason that in the development of pipe lines for natural gas and oil in this country the first five master bills were brought into the house in 1949. At that time we put forward all the arguments that were made this afternoon with respect to farming out our resources to United States interests. We not only made those arguments as far back as 1949 and 1951 particularly, but we also moved motions in the house that these pipe lines should be designated as common carriers so as to keep at least the main valves of the pipe lines in Canada instead of in the United States.

We did not get very much support in the house except from members of our own group. That development is finished. The policy with respect to that resource has been decided not only by the federal government with respect to the question of a common carrier but by the provinces that are developing natural gas and oil.

When we come to iron ore resources we are also a bit late, for the simple reason that when these resources were farmed out in