

repairs since they have their own repair shops and storages, the trucking industry needs all our businessmen to operate.

Therefore, it is not fair to allow any longer the C.N.R., which is supported by our taxes and those of these truckers, to attack so viciously one of our best industries which, by the way, never did cost any deficit to the Canadian people.

We are confident that the future department will deal, in the first place, with the depressed areas, that is areas where unemployment is most severe. On that score, I think Quebec will be its first field of action. The various services to be provided by this new department will certainly be a valuable contribution in the effort to be launched any day to encourage the regrouping of our family industries.

As regards provincial autonomy, I do not see what new danger such a department could offer, since in fact it already exists in the Department of Trade and Commerce. And I do not think it will be through this department that the federal government will lay hand on our autonomy, as long as the future department will remain in the field of services.

Besides, I am wondering nowadays whether the alleged intrusion of the federal government upon our industry is not preferable to that of the United States. That intrusion is increasing at an amazing speed because of the rigidity of the Canadian government towards our monetary policy. Let us keep on that tight money policy, and we shall open wider the door to foreign investments, thus losing the control over our Canadian economy.

If I may, I should like to quote a man who is certainly not a Social Crediter since he vigorously fought our philosophy during the last election campaign. But today, in face of the real danger, he has to wake up to reality.

He is even a good Liberal, and bears the stamp of high finance. But he is nevertheless a Canadian when he becomes serious. That is why he is now voicing this warning, with which he taunted the Social Crediters not so long ago.

I want to quote here from a press report published in *Le Devoir* of June 7, on page 13, under the signature of Mr. Kierans.

Mr. Kierans said:

Canada must have a more flexible monetary policy. The president of the Montreal stock exchange, and the Canadian stock exchange, Mr. Eric

Establishment of Industry Department

Kierans, yesterday stated his support of more flexible exchange rates and monetary policy. Addressing the Canadian association of political science at Laval University, Mr. Kierans stated that our economic system is presently organized so as to maintain an external balance and that the exchange rates particularly control our economic affairs.

He feels that a tighter monetary policy would increase our economic dependence on the American market because Canada would not be able to develop its own natural resources. The United States, he said, at present have surplus capital which will be invested in Canada if the opportunity arises.

"It is even possible that the Canadian finance corporation which was created to buy back Canada from the United States, be financed by American capital."

If Canada adopts free trade policy, we will have to reorganize our industrial sector to meet foreign competition. Should we adopt a tight money policy, that would become impossible.

"We have done nothing to prepare our economic system for the cold shower of free competition."

LACK OF KNOWLEDGE

Mr. Kierans deplores the lack of knowledge on the activities of Canadian corporations. During the austerity program of last year, the staff of the dominion bureau of statistics was reduced and the information on corporations and labour organizations was reduced.

"How can we get any information about Canadian policy when the facts are kept hidden from those who could criticize them constructively?"

Mr. Kierans revealed that, from 1950 to 1960, industrial investments varied from \$9.1 billion to \$21.1 billion, while profits decreased from \$861 million to \$831 million.

Mr. Kierans is of the opinion that tariff barriers which are meant to protect certain "infantile" industries are nothing but traps because nothing can help those industries become more competitive when they become big enough to face foreign competition. Because of tariff barriers, other countries are not interested in buying from Canada.

Mr. Kierans believes that the Canadian manufacturing industry should invest more in branches, as the United States do, especially in Asia, Africa and Latin America.

Mr. Chairman, I am opposed to any intrusion by the federal government but I am even more opposed to the carelessness, the lethargy of some provinces in the economic field.

I am a little ill at ease but I find that provinces which are the least developed economically—because they failed to elect a young, active and sincere government—are the ones that always cry out more loudly for autonomy. The administrators of those provinces look very much like people who see their house on fire, do not worry much about it and criticize the neighbours who want to come to their help. And to think that in my