

Foreign Control of Canadian Industries

Corporation offers enchanting prospects. It is very interesting, simply looked at. If you look at it from the N.D.P. viewpoint, that is the answer. But it is a very complex thing. It requires the utmost of study but in my opinion it does have a place in our economy.

I had the good fortune of being in Italy recently as a guest of the Italian state department, and I saw the functioning of their state organizations. It is really not what we would conceive in respect of the C.D.C., but it serves many of the same roles—companies like I.R.I., E.N.I., and Efim-Brada. The Italian government did not really mean to get into this. It happened in 1934, I think, under Mussolini, who made the trains run on time and established these organizations, which may not be good or bad, in spite of other things he did. But he finally got his just desserts. It happened because the banks failed and the government had to take over the banks, and the banks happened to control a lot of the industry. So the government found itself in business.

I was quite interested in this subject and met with the officials of these companies. There is a balance between public ownership, being the state in this case, and private ownership. The shares are traded on the exchange. I think we could learn much from what our Italian friends have done in this field. As I travelled through the south of Italy, a part of the country to which I had never been before, I saw the tremendous development by Italsider, the great steel complex, a fully integrated steel mill at Taranto, and Montecatini-Edison in Brendisi. There are so many others I could name, but they are not too easy to pronounce and do not come so quickly to me. This was in their depressed area.

Their problems are not so different from ours. The country is spread out and they have areas that are stultified where the people are what they call peasants. However, they are a charming, attractive, fun-loving people, with good wine and good music, who are now, through this intervention, developing a way of life which is consistent with that of the 20th century. I do not know if they will thank their government for it, but at least they are enjoying the material things which bring sprit spiritual things, too, in many respects but not always, that the rest of the country is enjoying.

There are two particular points I would like to stress in reference to what we must do

[Mr. Danson.]

to build our strength so that we can realistically build our economy, so that we can realistically set guidelines and put ourselves in a position where we can manage our own affairs. One is the area of research and development, innovation, and good business management. In management techniques I think we are deficient—it is not a net but a gross deficiency—in relation to our friends to the south. This is the reason or one of the reasons—there are many—that they have great international corporations. We have not paid sufficient attention to that aspect of education in Canada.

Mr. Speaker: Order, please. I have to interrupt the hon. member to remind him that his time has expired.

Some hon. Members: Continue.

Mr. Speaker: The hon. member may continue if he has the unanimous agreement of the house.

Some hon. Members: Agreed.

Mr. Danson: I shall try to be brief. I am so impressed with what I have written here that I really want to say it all. I think the area of management training is of particular importance. We have a growing number of schools of business management in Canada, but I suggest that we expand these and that they be given the highest priority by the governments with jurisdiction and assistance by those governments that do not have jurisdiction. But we do not have a first rate graduate school in this country. I suggest that we make sure we meet this deficiency very rapidly because our graduate students must at the moment go to other countries. This is not necessarily bad; this interchange can be really excellent. But nevertheless it is not a made in Canada product. Because it is made in Canada does not mean it is better, but there is a Canadian orientation that we must have in these things for our students and foreign students who come here.

Further to that, I would urge the establishment of an elite school—I hope there would be at least one French speaking graduate school and one English speaking, both with a bilingual orientation—for the graduates of these schools. Then we would encourage management in such a way that they would be really mature people, the type of leaders who will have great leverage in our society. This must take very high priority because like it or not, industrial leaders do have leverage. But it can be positive and beneficial, and