

The Address—Mr. Horner

ary 9 to January 29, 1967, we heard speech after speech about transportation. At that time I suggested the National Transportation Act would not serve those regions of Canada where there is no competition between various modes of transportation. I repeated this fact over and over, but the government of the day plowed blindly ahead, saying that competition was sufficient. At that time I said the National Transportation Act would throw the prairies and the maritimes to the wolves—and history has borne that out. I will certainly be watching to see what action results from the reference to transportation policy in the Speech from the Throne.

I am more concerned about where Canada is going from this point on. In the late 1970s and through the 1980s Canada will be entering a period of unusual potential: we will have a highly mobile and well educated group of young people with a tremendous potential for production. Hopefully, we will not have significantly eroded our natural resources, perhaps mainly because of their abundance. Hopefully, we will have our population growth under relative control, at least to a greater degree than many countries throughout the world. I am sure we will see a keen worldwide demand for our foodstuffs as well as our raw and processed materials.

Perhaps the best thing of all will be our ability to attract capital through bond and debenture borrowings, based on our natural advantages, particularly if we manage to maintain a firm Canadian dollar. I think we can become more capital-intensive and prosperous without losing our equity ownership. I am sure we will be able to borrow on debt financing, but certainly we will not have to borrow for equity ownership if we provide an incentive for Canadians to earn more and to save more. We must ensure that ability to earn without allowing this government to take back all the earnings.

Let us take a real look at the situation in this country compared with countries around us. Many countries possess enormous natural resources and natural assets, but many of those countries have poor standards of living, far below the dignity level of most human beings. Why is it that Canada, with its natural resources, should and can enjoy a quality of life comparable to none? I suggest the answer to that question lies in the fact that our greatest resource is our people, their attitudes, morals, courage and ability. They have done much to appreciate and develop their skills. If we carry on as we have in the past, we will be discouraging these people. They will become reluctant to develop their skills and talents and will be more prepared to sit on their fannies and wait for the government to provide for them.

An hon. Member: Oh, oh!

Mr. Horner: An hon. member take exception to that. I suggest he consider that Germany was burned out during the Second World War and rose afterwards to become a wealthy trader and financial house. I suggest it did so because of the desire of its people to improve themselves.

We in this country have listened to people who say we can redistribute our skills and talents in one way or another in order that everyone may attain some kind of equality. I suggest it is pretty difficult to redistribute skills, natural aptitude, talent, tenacity, courage and moral

[Mr. Horner.]

strength. There are two basic directions we can take to tackle our mounting problems; one is socialistic, with state participation in all sectors, and the other is through a free market economy with over-all state control. Canada's greatest danger at the present time is that we are attempting to correct the situation which we recognize in this country through the socialistic route, that is, with direct intrusion into economic decision-making by all levels of government. This route is fraught with danger and is doomed to failure.

The fatal problem with this route is that the privilege is simply taken from the classes who have it now and is given to those who would like to have it. My friends to the left say they do not swallow this argument. They should consider for a moment the continual federal government interference in every economic decision in the past eight years. I refer to the egg marketing fiasco as a perfect example, but one could find similar examples in respect of oil, manufacturing, farm produce marketing and a host of other industries.

The basic problem does not change. All we see is a shift taking place. Communism, the inevitable result of state interference, is an archaic form of economy for an advanced nation, and it will provide benefits only for the immature and primitive society. If Canada is sincere about owning its own means of production, I suggest this is a simple thing to accomplish. To do so we will have to forgo some of today's benefits, making more effort to assemble capital. Since the government is the largest consumer of capital, this also means we will have to examine government expenditures with a great deal of care. Do we prefer to spend a great deal of money on those things in which the government is involved, or do we prefer to use the money to increase equity ownership? We cannot have the government doing everything for everybody and still have a country which allows John Q. Citizen to retain more money with which to purchase a portion of the factory or industry in which he is working.

We must ask ourselves whether it is wise to leave earned capital with those who have the ability and the skill to employ it and who wish to expand or transfer those funds for political purposes into areas of Canada where there is no possibility of development taking place. I listened to the speech which the Minister of National Health and Welfare (Mr. Lalonde) has just completed, but heard not one word about developing Canada. He did not refer to the need for creating greater productivity in Canada. His was a good speech and he said some things that needed to be said, but he simply repeated what has been said by every government member who has spoken during this debate on the throne speech.

We cannot allow this great country to take the direct and negative route of controls. We must take the route of saving capital and streaming those savings into equity. Since in a rapidly changing society commodities have an average life span of less than ten years, if we move now we can become the owners of most of the equity within Canada.

Let us consider the situation in Japan, country with a very small land mass. It has very industrious people, with one of the fastest growing economies in the world. Japan has attained this position under what might be considered