

underpinning for any policy of independence, for many obvious reasons. I shall cite only two. First, I don't think that Canadian independence can be very meaningful or attractive to the unemployed or the under-employed.

Second, unless we can offer our trained and able people the chance to use their talents in Canada, many of them – certainly many of those who speak English – are likely to migrate to the United States. Ready access to the United States and familiarity with the opportunities there distinguishes Canadians from other people outside North America – and presents Canada with some of its special problems. If the disparity in incomes and in opportunities between Canada and the United States were to widen significantly, the attractions of remunerative and interesting employment in the United States would pull away some of our most able people.

NEW CONFIDENCE

Of course, our most able and well educated people don't stay in Canada only because they are well paid. They stay here because they find something special about Canada which they are not prepared to leave behind them. As I see it, it is the task of the rising generation of Canadians to create a new confidence and a new sense of cultural and social identity in Canadians. Unless we achieve some success on this front – and I believe we are beginning to do so – the very real attractions of the vigorous society to the south of us may attract too many of our able people. Then the human resources and skills required to shape and direct a complex industrial economy will simply not be available to us in Canada.

In other words, we can't have financial and economic independence unless Canadians believe in Canada. That is why such matters as the financing of our universities, the encouragement of the arts through such instruments as the National Gallery, and the Canada Council, new buildings for music, theatre and the visual arts, the support and promotion of a vigorous national system of radio and television, are proper subjects of interest for a Minister of Finance.

STRONG FEDERAL SYSTEM

The third item on my agenda is the need to strengthen the Federal Government in the exercise of its constitutional responsibilities – responsibilities which cannot be devolved on other levels of government, and to strengthen the provincial governments so that they may carry out those tasks which only they can perform. This, as a proposition, is easy enough to state. But its working out involves all the complexities of our laws and government activities. It requires the exercise of great ingenuity and skilled judgment, at both the provincial government level and the federal level.

A federation like ours is, by definition, a country difficult to govern from one centre. Otherwise it would have adopted or would adopt a unitary form of government. Yet it is imperative that if all Canadian governments are going to carry out the assignments given to them by their voters, all will have to

work, and work continually, at evolving solutions to the problems of sharing responsibility – and power – and money – as between the various levels of governments.

MORE CANADIAN CAPITAL

The next item on my agenda for independence has been brought into sharper focus by the experience of the last few years. One of the greatest threats to Canada's freedom of action and freedom of manoeuvre in the economic and financial spheres is our dependence on massive imports of foreign capital. Because we depend so largely on this inflow of capital from abroad, our economic development – and thus our personal incomes and our jobs – are vulnerable to any interruption in the supply of capital or to serious disturbance in the capital markets, most importantly, in the capital markets of the United States. I believe that, for our own protection, we must endeavour to shape our policies so as to generate more of our capital requirements at home.

Looking beyond our own immediate concerns, Canada has a moral responsibility to the peoples of the developing countries to reduce our dependence on imported capital. We in Canada cannot go on indefinitely being such an important consumer of scarce capital from abroad.

Thus, our obligation to the rest of the world, as well as a prudent concern to protect ourselves against interruptions in the supply of capital, require that we give top priority to generating more savings domestically, and to channelling them into investment here in Canada in productive enterprises....

ECONOMIC ENTERPRISES

The next item on my agenda is closely related. I believe that if we are to be reasonably independent, in any practical way, we must, as a nation, know more about the working of those large economic enterprises which dominate so many sectors of our economy, but which are controlled by foreigners. The inescapable fact is that no other country has such a large proportion of its production in the hands of corporations that take direction from parent firms in other countries....

Part, though only a part, of this unease arises from the fact that so many large non-resident controlled corporations in Canada are technically private companies enjoying the rights of privacy about their affairs. Therefore, only the Dominion Statistician and the tax-gatherer, with confidential figures from them, know anything about the dimensions and directions of their financial operations. The Government has now put before these companies a set of guide-lines for good corporate citizenship, and we will be asking that they provide us with certain financial and commercial information on a regular basis. I am pleased to see that this programme has been generally welcomed by the business community. However, given that so many of these firms are private companies, though certain Government officials will know, the public still will not know as much as it should about how these guide-lines are followed.

We will have to rely a great deal on the good