



CANADA

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## NATIONAL RESOURCES AND NATIONAL ECONOMY

*The following is a partial text of a speech by the Minister of Northern Affairs and National Resources, Mr. Arthur Laing, to the Vancouver Institute at Vancouver, British Columbia, on October 17:*

...Today, in this final quarter of 1964, Canada as a whole is still primarily a producer and net exporter of basic resources....We still do not even process, in Canada, the larger part of our resource output to anything approaching its current technological possibility. In short, our Canadian economy is still predominantly — not so predominantly as it was once, perhaps, but still predominantly — a high-grade primary resource economy. Our Canadian standard of living is still founded upon the exploitation and export of our basic resources both renewable and non-renewable. Our historical pattern of production and trade still hasn't really changed in a meaningful sense.

However, one notices these days that Canada, the United States, and some other countries are revealing a growing preoccupation with the economics of resource use. Much of this preoccupation is policy-oriented, and it concerns itself primarily with economic growth. The reason for this phenomenon, I submit, is that rapid growth in our time has become an essential condition of survival; it is synonymous with survival. Internally within our country — or within almost any Western country, for that matter — individual businesses which fail to keep pace with the leaders in their industry fall by the wayside. They become swallowed up by their competitors. Similarly, in a world dominated by power blocs, those nations which fail to keep

up the economic pace soon lose their free voice in the international forum, and ultimately, sometimes, over the internal management of their own internal affairs.

### PREOCCUPATION WITH SURVIVAL

The preoccupation of nations with survival has provided, among other things, an important stimulus for research into the economics of resource use; but it has also steered this research in a very one-sided direction. Economists nowadays seem to dwell almost exclusively upon such things as how to secure an optimum income response and an optimum employment response out of resource development. Over and over again, one hears them referring to balanced and unbalanced growth, to multiplier effects, to backward and forward linkages, and so on.

This kind of preoccupation may be all to the good if kept within reasonable limits and if other aspects of research are receiving their appropriate attention. However, concern for one's own individual survival goes too far when internal strains within a nation commence undermining its national efforts to survive. Certainly, I do not mean to suggest that I am opposed to corporate self-determination and to provincial self-determination. These certainly have their place and their function, as is absolutely apparent in the area of resource ownership and management. Under our Canadian system, the primary resources of our country, as you all know, are owned in the first instance by the provinces...At the same time, each province may actually be indulging in an excessive preoccupation with its own individual

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