

as vehicles of national policy and economic planning. It would mean that the banking industry would be more fragmented and more difficult to direct by the Government of Canada on behalf of all the people.

We need to retain our control for all kinds of reasons. First, we are a country which is undergoing many economic difficulties; one need not talk at great length about our economic problems today in Canada. We know there are many difficulties, and if we are to solve them we need strong intervention by the government and strong intervention on the side of public planning. I know there are many hon. members, not all of them in the Conservative party, who are starting to look the other way. I know that during the Liberal convention held in Ottawa last weekend many of the delegates were talking about less government involvement and less government intervention in the economy. They felt that was the way to make the economy go well. But I suggest it is not.

If we are going to leave that to the private sector which, in the main, consists of the large multinational corporations, they will not do much for the ordinary citizen in our country. Their main goal is obviously to maximize their profits and to make their shareholders happy regardless of where their shareholders may live. There is absolutely nothing wrong with that if that is the type of system under which you wish to live. But I suggest to the House that in a country like our own that is just not going to work. Most of our economy is foreign owned and foreign controlled, of a resource-based economy in Canada where our resources are dug out of the ground here and are shipped over to the United States or somewhere else to be refined or manufactured—where, of course, the jobs are—and the profits will be drained out to those areas and we shall not have the benefit of any development of secondary industry based in Canada.

Perhaps even worse than that, though, we shall not see development of our country occur in an equal and uniform way. An hon. member from the maritimes asked a little earlier what was wrong with that. I tell him that that is why his region of the country, which is really being hit hardest, does not get some of the development. It is because the multinationals and the big corporations in this country have too much control.

An hon. Member: You are wrong.

Mr. Nystrom: When I have finished I hope the hon. member will get up and speak. It would be interesting to see him take the opportunity to debate that point with us. If we had more government intervention and more planning in our economy, the maritime provinces, the eastern part of Quebec, the prairies and the north would be a lot better off.

I maintain it is not profitable to put plants in places like the maritime provinces if one is guided strictly by the profit motive. This is because they are a long way from the large markets and because we have a government which believes that we must have a user-pay transportation system. That, too, is part of free enterprise—you have to pay for what you use. If you hold that type of philosophical belief you are not going to develop equally those parts of our country which for numerous

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reasons are disadvantaged, through no fault of the people who live there. If you employ government intervention in the economy, for example in the area of transportation, where freight rates are equalized, so that no discrimination would exist against the maritimes and the north, then you would have a much better chance of making this country a sensible and well planned place in which to live.

Perhaps the best way of describing our country would be to use the analogy which my father used to use when I was quite young, in describing how our country is run. He saw this country as a huge cow pasture and in the pasture was a cow facing west eating the resources of the prairie. Those resources were processed within the cow and the cow was milked over Toronto. That was where all the cream went. The tail end of the cow was over the Atlantic provinces and part of Quebec. You know what was happening at that end of the cow. Anyway, that analogy is not far from the truth. That is the type of system you have if free enterprise takes over this country. You get profits any way you can without any regard to what it will do to people in the outlying areas. I would like to see some of the more capitalistic members, like the hon. member for Moncton (Mr. Jones) and the hon. member for Stormont-Dundas (Mr. Lumley), get up and refute this in as intelligent a way as I put it forward. Let us look at our country. We have never had any socialist government running things in the hundred and some odd years we have been in existence. Still we have these high inequities existing here. Look at the unemployment rate in the maritimes. Consider the average standard of living in places like Newfoundland. That cannot be as a result of the socialist system; it is the result of the systems we have always had in this country. What I am suggesting is that it is time we had an alternative to what has been happening; we need stronger intervention by the public in the economy in order that we would more equitably distribute our resources among the many parts of our country. Transportation is one of the very important tools to be used to this end and, of course, another which comes to mind is the use of the financial institutions and the banks.

We must do more to direct capital, to direct investment in Canada. Other countries in the world do so and the results are very good. In fact Canada is one of the very few countries in the world which does not have investment controls and the direction of capital. Just look at some of the social democratic countries such as Japan, France, and even Italy. Japan and France plan their economy in a much more interventionist sense than we do. They have in power governments equivalent to our own Liberal government, and equivalent to what a Conservative government would be like. Of course on the other side of the question I can think of many democratic socialist countries like Sweden, Norway, West Germany and so on which have for years intervened in the economy in order that all people under their economies are much better off and are much more equally served. One of the advantages we have in this country is that we now control the banks in Canada. Let us not allow that to slip away from us.