

*Department of Insurance Act*

domination, important as that may be. It goes right to the question of just what is our economical and political philosophy in regard to world development. Just what do we think should be the purposes of a national economy, and what should be the purposes of an economic organization? We have also to decide in our own minds what price we are prepared to pay for the purposes that the hon. minister has in mind in this bill.

I think it is true to say that what I am inclined to call the g.n.p. economics has pretty well ruled the rest of the western world for a number of years past. This type of economic philosophy uses only one yardstick for measuring the validity or desirability of any economic policy, that is, the cheapest and most efficient way and place in which you can produce goods and services. It is perhaps carrying that theory of division of labour to its ultimate conclusion, with possibly even a certain amount of dreamy contemplation of one world which does not yet exist. The assumption seems to be, under gross national product economics, that man is primarily a producing and consuming animal rather than a social and political creature.

No one of course follows this thesis completely to its logical absurdity. Always there are reservations, and always there are exceptions. I think it is true to say, however, that this type of economic thinking has been the keynote of our economic thought for quite a long time past—possibly for 50 or 60 years—and any departure from that philosophy has required to be excused as a regrettable, if necessary, heresy.

On the basis of that type of economic thinking, which is all too popular in the world today, there is very little to be said for the minister's bill, because it insists on setting up roadblocks in the way of continuing foreign investment. Perhaps from the point of view of this very narrow school of economic thought one could make out a good case for this type of economic foreign investment in our economy. If we are prepared to eliminate all other considerations, all national considerations and all other social considerations, we have to decide, when we come to judge this bill of the minister's, just how much these other considerations mean to us.

The Fathers of Confederation, about whom we hear so much today, of course flew straight in the face of economic logic and common sense. I never cross the Rocky mountains on the way to my home in British Columbia without being impressed again with the folly and the grandeur of the concept from

which this country was born. It was supposed by most of the Fathers of Confederation at that time that they had achieved the impossible when they had successfully defeated logic, geography and economics, and established the nation of Canada. The idea was perhaps in their minds that the job was completely done once and for all, because of course at that time they were living in a pre-modern capitalistic world. They had no concept of the sort of developments that we were going to see in later years, and the difficulties that they would pose for a country such as Canada, created in the face, as I say, of economic logic and geographic logic.

I think the same question faces us today that faced John A. Macdonald and his colleagues. That question is, is it worth it? They had to ask themselves that question. Was it worth flying in the face of all common sense, logic and geography to establish a nation in the northern half of North America? They decided the answer was yes. Again I think we have to ask ourselves today, is it worth it? Is it worth continuing? Is it worth attempting to preserve a Canadian identity, both economic and political, or would the part of wisdom be to relax comfortably into becoming merely an adjunct to the much larger and wealthier economy to the south of us, which would probably give us a fairly comfortable living but which would inevitably destroy the work done by the Fathers of Confederation?

This is a quite difficult question to answer, a question that Canadians have always been dodging for the last 100 years and have never come up with a continued and consistent answer. But I believe if we turn to the outside world away from North America we may find an answer to this question, because one very significant fact emerges, that virtually the whole of Canadian foreign and external policy is a repudiation of the economics of the gross national product. We are committed throughout the world to the building, to the encouragement, to the establishment of viable national economic units in the emerging countries of the world.

Not long ago I was on the Gaza strip where I saw the representative troops that Canada has had there for the last eight years. One of the purposes of our keeping our troops there and preserving the uneasy peace of the Middle East has been to enable the state of Israel to establish itself as a viable economic unit. The Israelis, of course, did exactly what our Fathers of Confederation did. They thumbed their noses at logic and geography,