

*National Economic Development Board*

larly authored by the prime minister's aide, Mr. Lester B. Pearson. Article 2 provided that NATO must not only be a defence organization but it had to go on beyond that, there had to be a degree of integrated planning between these great allies. The purpose was that we were going to develop these Atlantic nations as a community and the Atlantic community was going to embrace more than just Europe. It was Europe, the United States Britain and Canada. That is one of the reasons that, when Peter Thorneycroft in 1957 made a bold proposal for Canada to be integrated with the United Kingdom, we Liberals listened seriously because this seemed to us to be one of the means by which it was possible to work out a way or to plan our way into this integrated prosperous Atlantic community that would really become the cradle of new economic development. It did not work out for Canada. If we had had at that time this kind of economic advisory board which is envisaged in this act, I suspect that any government that had been in power in Canada in 1957 would have been obliged to take a much closer look at the Thorneycroft proposal.

I should be very much interested to conjecture if an economic advisory board had then existed what counter proposals to Mr. Thorneycroft might have resulted in the months or years following.

There would have been some alternative proposal to the United Kingdom, something which this government in five years has not been able to produce. What about now, when we are faced with a completely new change in the situation that is still not recognized by this government, that is the fact that Britain may be part of E.E.C.—demanding some change in our policy.

We had the reference earlier today by the now Minister of Justice but one time minister of finance, to his happy trip to Japan. I was interested to make certain comparisons. The Prime Minister of Japan, Hayato Ikeda of the Liberal democratic party on June 6, 1961, spoke of the various programs that his government had chosen and vigorously pursued in order to plan their way into economic growth. One of the things he said in that important speech to the forty first session of the Japanese diet was this, and I remind hon. members that this speech was delivered in June, 1961:

The fact that the question of Britain's adherence to the European economic community has become a practical issue of the day and the fact that the United States government is moving toward collaboration with E.E.C. along the line of its trade expansion bill presage the reorganization of the world economy.

This is Japan. It will be recalled that in two years Japan had increased its gross na-

tional production by nearly five thousand billion yen and had managed to keep its prices at the same level or very nearly stable while its consumer spending increased to a staggering degree. Some people speak of Japan's productivity increasing over 40 per cent. I indicate that this was a speech to the Japanese diet by a responsible Liberal Japanese prime minister. Yet a few weeks after that speech we find that at Accra the Hon. George Hees, according to United Press International, said this:

There is no substitute for the terms of access we are now accorded in the United Kingdom market... It is clear that damage, extensive damage, in some cases irreparable damage, would result from the loss of our present trading arrangements with the United Kingdom.

And the then minister of finance (Mr. Fleming), according to the *Ottawa Journal* of September 26, 1961, was reported as follows:

To set the record straight, Mr. Fleming last week called in leading British correspondents covering the international monetary fund meeting in Vienna. With great emotion, he argued that commonwealth countries were unanimous in their condemnation of Britain's attempt to join the common market.

Why did we not see trends evident to the Japanese?

Why do we need this kind of a bill? Why do we need a planning group? I think it is clear that the Liberals felt that even with the peaks we had achieved in 1956 and the first two quarters of 1957, such an economic advisory board would be desirable. Why did they have this feeling? People so frequently in this house refer to the 22 years. I always deny that reference. There were not 22 years. There was a series of years when the Liberal administration was given a mandate for certain specific jobs because different challenges faced Canada at different times. In 1935 the challenge was to get out of a very severe depression. That was the problem. That was the comparatively short term problem to which they had to address themselves. I submit seriously that in economic terms there was not any long range plan involved with respect to that program. The situation was so critical and so severe that what had to be done was done in the way of an emergency.

Then in 1940 Canada had another general election and it will be recalled that again there was no possibility of the long term view or the long term plan. Again it was an emergency situation where the Liberal party had a mandate to try to save what they could of our part of the world and the free world. Therefore all the energies of this country were devoted to throwing ourselves into the defence effort with our allies, and we did that. However, it was limited in