

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.

### A 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 government..

### 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 - is 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.