

Northern Ontario Pipe Line Corporation

province of Alberta, because to him that was surely selling out Canada to some other country.

If you took that statement alone it might be damaging, but you cannot do that because no premier of any province is going to make a proviso without some explanation. The Minister of Trade and Commerce did not give it; the leader of the C.C.F. did not give it, for perhaps the good reason that he did not know what conditions might be involved in that proviso, and I cannot give it because I do not know. I do not believe that statement should be left hanging in the air. If Mr. Manning did make any proviso at all I am quite confident that he had some reason for doing so, and it was not that he intended to sell out Canada to any other country. I say to you that Mr. Manning ranks at the top as a loyal Canadian, loyal to Canadians and to Canadian interests.

In respect to foreign investment, I think we will all admit that one of the best things that could happen would be to have the money invested in this all-Canadian pipe line be in the form of Canadian capital. I think we all agree with that; but if we cannot get Canadian capital to construct and develop this pipe line there is only one reason why. I lay the blame for that at the door of the present government of Canada, which has pursued a financial policy which does not encourage Canadians to invest their money in ventures of which they cannot altogether see the result.

I picked up the *Financial Post* for March 17, and on the front page I find this headline, "Dependence on U.S. Goes on Growing." I did not have time to read the whole article as I picked up the paper only a few minutes ago, but in the second section I find this headline, "How We Are Paying for Our Prosperity." Then there was this subheading spread across a couple of columns, "We Are Selling Off Assets to Foreign Investors." If that is so then it must be because the government have pursued certain financial policies which have not encouraged large scale investment of Canadian capital.

When the royal commission on Canada's economic prospects was sitting in Alberta the government of Alberta presented a brief. After Mr. Manning had presented this brief on behalf of the province a question arose as to the amount of United States capital that had come into Alberta to develop the oil and gas industry. The total was an astounding amount. I must trust to my memory for this and also to newspaper reports, because we have not had the printed evidence as yet. Mr. Manning said the same thing I am saying now, that the reason United States capital came into this country to help

develop the oil and gas resources of Alberta was that the financial policies of this government did not encourage enough large scale capital investment of Canadian funds.

A recent copy of the proceedings of the committee on railways, canals and telegraph lines contains an astonishing piece of evidence. This was not in connection with a pipe line, it was in connection with another bill then before the committee under which a Quebec concern wishes to build a railroad in that province. They had wanted to get money from various investment sources to build the railroad, and during the course of the proceedings the hon. member for Edmonton East asked the witness this question:

How do you intend to finance your line? Can you tell us?

I shall read only part of the answer, breaking in at the middle:

I regret to say that Canadian insurance companies were offered the first "crack" at it but unfortunately we only had four who would participate. They felt that the development of the north country was not properly justified so the bulk of our money came from American insurance companies. Canadian companies were offered the first chance. That was a blow to me. I am a Canadian.

Listen to that. Are we going to sit here and say that United States insurance companies and Americans generally are more willing to gamble on the future of Canada than Canadian investors? Something must be wrong, and I will say that one thing that is wrong is the taxation policies that are imposed upon companies by this present government. Further on in this evidence before the standing committee on railways, canals and telegraph lines the following questions were asked by the hon. member for Lambton West:

Q. To what extent did the Canadian insurance companies participate?

A. \$2 million.

Q. Out of how much?

A. Out of \$145 million.

Now just imagine that. Who is to blame for this picture? The only answer I can give to that is the financial policies of the present government. But let us not let it rest at that. Let us ask this question. What would happen to the development of industry and our natural resources in Canada if it were not for United States capital coming in here to develop them? My hon. friend from New Westminster has said that this government does not accept Social Credit methods, because we have been urging for 20 years that they accept them. If they did, perhaps there would be more Canadian capital to be invested in the future of Canada. United States capital has come in to this country and has taken a chance on the future development of this country. We talk about a pipe line. What is the use of having a pipe line if there is