

provincial government is taking it away with the other hand by reducing the provincial government supplementary old age pension contribution. If we are to improve the lot of those in the low income brackets in this country medicare should be brought into operation much sooner than July 1, 1968. If the Minister of Finance last year had any excuse—and I do not think he had—for postponing medicare because of the threat of inflation that threat now is gone. There is no longer any reason for delay. Under the act the government has the authority to introduce medicare by July 1 this year or at the very latest January 1, 1968.

The fifth goal is better allocation of the wealth which we produce. The keynote of this second century should be equal opportunity for every Canadian irrespective of where that Canadian may reside. It is not enough to raise individual incomes. We must also improve the social amenities by providing better schools, better hospitals, better homes and better recreational facilities. We must have clean air and clean water.

I suppose there is no question before the Canadian people today which is so demanding of attention as housing. Housing now has reached the proportions of a national crisis. The Economic Council of Canada says that it will be necessary to build 170,000 new houses every year just to hold our own. That will not cut into the backlog of the half a million families who are living in substandard housing in Canada or the 20 per cent of the homes in Canada which have only primitive toilet and bathing facilities. To meet the needs of the Canadian people we ought to be building at least 250,000 houses a year in order to keep pace with the annual demand and reduce the backlog of substandard housing. The other day the minister told us that the best we can hope for is 150,000 to 155,000 housing starts this year. We not only need houses but we need them at a price which people in the middle and lower income brackets can afford to pay.

Some hon. Members: Hear, hear.

Mr. Douglas: Some of my colleagues will be having more to say about this in greater detail as the debate progresses.

The sixth goal is that we must have greater Canadian control over the Canadian economy. No one denies that foreign investment has benefited Canada, particularly in securing technological and managerial skills. But we have reached the stage today where some 67

per cent of the major segments of our economy are in the hands of foreign investment. We have reached the stage where the decision-making power which affects our daily lives and our economic expansion is in the hands of investors outside this country. The government as usual is playing the role of "Mr. Facing Both Ways". The President of the Privy Council (Mr. Gordon) is going around the country making speeches in which he mentions the danger of foreign investment. The Minister of Forestry and Rural Development (Mr. Sauvé) is going around the country making speeches in which he says there is no danger in foreign investment, that foreign investment is fine and we need more of it. It may be a marvelous political attitude to be all things to all men, but surely the time has come when we ought to know what this government is going to do about the increase in foreign control of our economy.

The government says there will be a task force to prepare a white paper and that it will be headed by the President of the Privy Council. The President of the Privy Council was appointed by a previous Liberal government to head up a royal commission on Canada's economic prospects. He made a full report in that regard. He also wrote a book entitled "Whither Canada". He is supposed to be an authority. Why do we need another study and another white paper? Does the government not have a policy? It pretended it had a policy when it faced the electorate during the elections of 1962, 1963 and 1965. We have reached the crossroads in Canada. We have reached the point where we are losing the decision-making power in respect of decisions which will affect our future welfare and development. We have come to the place where the interest and dividends on past investment are affecting our balance of payments. Retained earnings are now pyramiding our indebtedness. As we enter our second century we ought to ask ourselves who will own Canada by the year 2067? How much of Canada will our children and their children own, control and direct?

We are reaching the point in Canada where the decisions concerning whether our economy is to increase, stagnate or expand are not being made by the government or by parliament but by foreign corporations outside the boundaries of Canada. The making of economic decisions also has some effect of course, upon the making of political decisions. There is no doubt that the timidity of this government in matters pertaining to foreign policy