

Foreign Control of Canadian Industries

exchange rate. Again, this is as a result of our tie-up with the United States.

Our export trade is mostly in one basket. Our total economic position in the export market is entirely dependent on the United States. We have not attempted in any serious way to extend our export trade in other parts of the world.

An hon. Member: Nonsense!

Mr. Lewis: My hon. friend in his ignorance says, "nonsense". Perhaps he will eventually learn something and then understand what he is talking about, although having heard him on several occasions I am not at all sanguine about that.

The laws and policies of our powerful neighbour often control and always influence the policies of important corporations in this country. The author of the Watkins report made a speech in Montreal in January of this year. Professor Watkins said at that time:

Not only have we largely lost the capacity to create economic growth in Canada, the capacity of the Canadian government independently to create jobs and control inflation is negligible.

This is all as a result of the continentalism which we have permitted to come about in this country. The other day the Prime Minister was interviewed by a member of the *New York Times*. I will not quote the Prime Minister but paraphrase accurately. I can almost see the Prime Minister shrugging his shoulders when he stated that the problem of economic domination is world wide and is almost inevitable. He pointed to the United States influence not only in Canada but also in Europe, to the Japanese influence in the Far East and to the Soviet influence in the satellites which border that country.

When the Prime Minister made that sweeping statement he certainly failed to appreciate the fact that in most other countries of the world, Canada being one of the very few exceptions, there are laws on the statute books limiting the extent of equity foreign investment and controlling that investment. As pointed out in the Watkins report, this is true in Japan, the United Kingdom, France, Sweden and Denmark. As far as I know it is true in most western countries. Whether they are unitary or federal they use their power to limit foreign investment. The Minister of Finance should not try to hide behind the constitution in this sphere. The fact is the minister and his colleagues have made no attempt to devise laws within our federal constitution or to seek the assistance of the

provinces to devise laws that might be concurrent in both jurisdictions.

I repeat that when the Prime Minister made the statement to which I referred, he failed to appreciate the fact that almost every other country in the western world has established limits on the extent to which that country will permit its economy to be gobbled up by powerful multi-national corporations. In Canada there are no such limits. They are free to come in and bite, eat and digest the Canadian economy without hindrance. When the Prime Minister referred to the influence and attempts by the Soviet Union to control the economies as well as the minds of its satellite countries he forgot, though I am sure he is well aware, it is precisely because of those attempts that there was trouble in Hungary in 1956, in Czechoslovakia in 1968 and is why Yugoslavia left the Soviet orbit in 1948. It is why we have the constant and continuing hostility toward Soviet control in those countries which, one of these days, will result in very important developments in the communist world.

● (3:30 p.m.)

It is of course true that the powerful economic empires, particularly those with headquarters in the United States, are pressing everywhere in the world and seeking to establish themselves everywhere as part of the present corporate policy of conglomerates and monopolistic tendencies involving the building of oligopolies, the control of markets, the creation of demand, and the diversification of their investments. All of these things are pushing these large international corporations to seek entry into every part of the world. But, as I have said, in Canada alone do these corporations not even have to push. They just walk in and the Minister of Finance, if he does not stretch out his hand in welcome, certainly uses his forefinger to invite them to come in. It is this situation which is beginning to worry the majority of the people of Canada. Slowly, Mr. Speaker, the truth about the foreign control of the economy and the political influence which that exerts on Canada is beginning to emerge.

The other day, as I am sure hon. members know, the Hon. Walter Gordon made a speech to grade 13 students at West Humber collegiate in Toronto. I hope he had a more receptive audience than he ever had in his own party when he was a member of the Liberal government. I point out that Mr. Gordon said he would, and he did, give three illustrations