

National Economic Development Board

The people of this country today owe \$2,450 million to the finance companies, small loans companies, department stores and furniture stores. At the same time they owe \$1,600 million to the chartered banks. Quite obviously the government cannot expect to control consumer credit unless it is prepared to supervise the lending activities of finance companies, small loans companies, department stores and furniture stores and to curb excessive interest charges.

We believe that planning should be adopted in all government departments. If the idea of planning were adopted in the Department of National Defence, vast sums of money now being spent to purchase obsolete equipment and obsolete weapons could be used to provide low interest loans to municipalities, to provide low interest loans to private enterprise to enable new industries to be located in depressed areas and surplus manpower areas, and to provide low interest loans to young people who want to build homes and cannot do so today.

We in Canada could buy back our industries and our resources. We could do this if we were able to use our own savings for that purpose. But our savings are held by insurance companies, investment companies, mortgage companies and other financial institutions. When a citizen contributes to a pension plan his contributions represent his savings. When he buys a home and starts to pay off the mortgage his payments to the mortgage company represent his savings. When a citizen buys life insurance the premiums he pays represent his savings. But he has no control over these savings.

If we could put these savings to work we could repatriate our industries and our resources. We should require these financial institutions to invest a certain percentage of their holdings in a Canadian development fund. The money thus made available could be used to buy back our industries and resources and to make Canadians masters of their own destiny.

The Social Credit party tells us that we do not have to plan our economy, that all we have to do is print more money.

Mr. Caouette: Oh don't say that. We have never said that. You are saying that.

Mr. Berger: I urge members of the Social Credit party to listen to what I have to say.

Mr. Caouette: Ask Lewis. He knows about it.

Mr. Berger: I am pleased to see that the hon. member for Villeneuve (Mr. Caouette) has decided to grace the house with his presence this evening.

[Mr. Berger.]

Mr. Caouette: Thank you, sir. You are kind to me.

Mr. Berger: No doubt he was anxious to renew his acquaintance with the hon. member for York South (Mr. Lewis) as quickly as he could.

Mr. Caouette: We are such good friends.

Mr. Lewis: Speak for yourself.

Mr. Berger: The trouble is that inflating the money supply will not help; it will simply result in more money chasing the same amount of goods. This will result in galloping inflation and will wipe out the savings of our people and would, of course, work immense hardship on those living on fixed incomes, such as old age pensioners, because it would reduce the purchasing power of their money.

I do not believe and the New Democratic party does not believe that the national economic development board proposed by the government is going to be adequate. We do not believe it is what is required. We had hoped that the government would come forward with a plan and a program, that it would have decided, chastened by the losses it suffered last June, to roll up its sleeves and get down to business; but we have been disappointed in that hope and disappointed in that expectation. However, as I said before, we intend to push, to prod and to press the government to adopt a genuine program of social and economic planning.

We welcome this measure with a good deal of misgiving. Nevertheless it is a first step in the right direction. We deplore the fact that the speech the Minister of Finance made when he introduced the legislation, revealed that the policies of the government are simply a dim reflection, persisting into the 1960's of economic theories that were exploded long ago. We urge the government to get started at once on a genuine program of social and economic planning, a program that will enable it to take charge of the nation's economic affairs, that will enable Canadians to acquire control over their own economic future, that will bring prosperity to Canada and that will provide useful work for every man and woman who wants to work.

We urge the government to undertake such a program. We urge it to get started at once, to begin planning at once, or else the twentieth century will leave Canada far behind.

Mr. Macdonald (Rosedale): Will the hon. member permit a question?