

National Economic Development Board

Mr. Matheson: If any hon. members of this house would like to see what the Minister of Labour had to say—

Some hon. Members: Oh, oh.

Mr. Speaker: Order. I should like to caution hon. members that the Chair would like to hear what is being said by the speaker who has the floor. Some of the contributions which are now being made irregularly from a number of places are not helpful in that regard. I will hear the hon. member for Leeds.

Mr. Matheson: I think the only proper word to describe the speech of the Minister of Labour on May 23, 1960 is scornful. He used certain language which appears on page 4166 of *Hansard* regarding the establishment of a national economic development board which would certainly be pretty hard for him to explain today.

We felt the need for this measure for some considerable time. The royal commission on Canada's economic prospects published their report in November, 1957, and we are fortunate to have with us one of the authors, perhaps the most important author of this publication, the hon. member who now represents Davenport (Mr. Gordon). I would remind hon. members of the house that this chapter which is entitled: "The Role of Government", sets out the objectives of governmental policies as being encouragement and promotion of steady growth and development over the long term periods, and the ironing out of peaks and valleys in the level of cyclical economic activity during short term periods, indicating that these two policies, although sometimes they do not run together, are nevertheless complementary, if there is some kind of orderly planning, foresight and thought.

I would particularly ask hon. members of the house to look at page 436 of the royal commission report, the chapter entitled: "The Role of Government". The concluding part of that page reads as follows:

We believe it might be helpful if a body of economic experts were established whose function it would be to inform the government of changes which might be thought desirable in economic policy in order to ensure a high level of employment without inflation. One responsibility of this body would be to publish annual or semi-annual reports for the general information of the public. The success or failure of such an innovation would depend of course very largely upon the good judgment of the men who might be chosen for the task and also upon their reputations for objectivity and hence the confidence which the public would be likely to have in their opinions.

I should like to take the time in which to read that whole part of the page; however, I have not that time at my disposal.

An hon. Member: Take the time.

[Mr. Matheson.]

Mr. Matheson: However, to those who are interested I would suggest the fact that the idea of this bill before us today is set out in this 1957 report resulting from the economic study conducted in 1956. Why, in 1956, the best year Canada has had since world war II, did the Liberal people at that time consider the need for economic development? Then the chairman was of course not in the true sense a Liberal but a person appointed by a Liberal government to study what had taken place and to see what could be done that would ensure greater growth. I point out that in 1956 the Liberals were not satisfied with what was even then the production of the high peak year in the post-war period.

Some hon. Members: Oh, oh.

Mr. Matheson: The fact is that they knew there were problems and they knew that to sustain growth and development there were certain things they were obliged to face that other countries in the rest of the western world had had to face. Prior to that time they had the example, of course, of the Marshall plan in Europe, and the tremendous impetus that came under the Schuman plan. We have had reference to the growth of France, the development of E.E.C. and so on. I am very much attracted to a series of articles which has been published, and to appreciate the force of them you must read them as a series, by Mr. Patrick Nicholson. His theme is the Atlantic community. You will recall, Mr. Speaker, that various proposals were put forward at the conclusion of world war II when we realized that there was an enemy to the free world both industrially and militarily. I refer to Russia. It was considered necessary that the west would conserve its forces and work together, that only out of a degree of interdependence could the western nations plan their way into economic growth and prosperity on terms that were compatible to people who love liberty and believe in enterprise. You will recall the various recommendations which came out at that time. Canada authored NATO. There is no question about that fact. We can refer for instance, to the speech of Right Hon. Louis St. Laurent in Berlin. The Minister of Veterans Affairs is smiling. He has made some very fine speeches to which I could refer. Mr. Nicholson writes: An increasing number of thinking people now agree with Hon. Gordon Churchill that "some form of political union between the members of the great NATO coalition seems essential."

This is thinking that has been echoed at some time in every political party in this house. The fact is that article 2 of NATO, the important article 2, was very much the creation of the Canadian delegation, and particu-