

*Speech from the Throne*

ban on phosphates to a proposed ban on advertising of tobacco.

When Canadian nationalism has reached the point where a member of the staff of Queen's University can seriously conclude that Mrs. Levitt's book "Silent Surrender" presents the most scholarly and convincing analysis of American ownership and control of our economy, emotion has indeed succumbed to logic. I am not against dissent. In most cases dissent is healthy. In any society there are wrongs to be righted, and out of the whole mass of dissent there emerges a stream of new ideas. But there is a great tendency for nationalist feelings to obscure the issue. The emotion it arouses causes the economic nationalist to close his mind to the real needs of a changing world.

The answer is simple: we need American technology. The United States has such a head start in technology that they are forging ahead in astronomical proportions while other countries are vainly trying to catch up. They will not mark time in technological development in order to give us the time to match their technology, and if we do not match their technology there will be little demand for our manufactured goods. This would present a critical situation, as Canada must export to survive and the Canadian consumer would hardly be content with inferior products.

At the beginning of the century, when United States' technology was in its infancy, we might have gone our separate ways. It is hardly feasible now. To do so would be like trying to run a mill with water that has already passed downstream. Technology has not been spread evenly over the ages of history. When the industrial revolution started in England, the steam engine made the first powered means of production possible. This resulted in new factories producing goods at a fraction of the cost of the old, traditional methods. A group of people called Luddites considered the machines a threat to their livelihood and their answer was to smash them. This was a wholly negative approach and one that brought disaster on the Luddites.

But it did not stop the march of progress and there has been a low, steady and progressive climb to the affluence of today. The United States has carried on and has created a technology which is staggering to the human imagination. In the next ten years scientific knowledge is expected to double, and if it is to double in Canada the majority of it will have to be imported from the United States. At the present annual growth rate of 4 per cent per annum, the standard of living in the United States will reach staggering proportions by the second half of the twenty-first century. Canada, more than any other nation, will share in this enormous economic and technological advance.

This affluence will gradually spread to the underdeveloped nations of the world, provided left-wing activists and economic nationalists do not influence near-sighted governments to build walls around their countries. There will be no shortage of resources because increasing technology will develop the capacity to produce substitutes and even basic materials. We are being drugged by the economic nationalists. These self-styled economic saviours of Canada would have us believe we should save our resources.

[Mr. Stafford.]

Our natural resources are of no use to the people of Canada, or anyone else, as long as they are sitting idly in the confines of mother nature. They must be extracted and incorporated into goods. In essence, our real wealth is our ability to produce. Our competitive position depends on our technological and scientific achievements, which in turn depends on brains and money. Napoleon once said that God is on the side of the big battalions. In the war of world markets, the advantage is going to be with the country with first-class brains and investment capital.

Obviously, the United States occupies the paramount position and we are fortunate to share a common border with that country. We can be associated with it and maintain our dignity and independence. There are no two countries in the world who share so much in common on the basis of culture, economics, politics and ethnic origins. To those who keep raising the bogey of American ownership, we have our fiscal and budgetary policies that can deal with any inequities or adverse effects of American investment. The economic nationalists speak of American investment in terms of dollars, instead of the importation of American research and development which is really the major part of the American investment and the source of employment for hundreds of thousands of Canadians.

We are living in a world of ever-increasing competition and this competition is coming from countries which have the benefit of American capital and scientific knowledge. The most costly thing in the world is scientific research and development, and the fact is that there is no other place where we can get it. The economic nationalists never tell us of the cost of buying and licensing of American patents which are now coming into this country through U.S. subsidiaries.

• (1710)

Some hon. members opposite say that we have the money and technology. To some extent it is true, but it is mainly because of the American presence. If we develop policies whereby Canada and the United States diverge in two separate courses, the technology gap will become greater every year. Anyone who suggests that there are hundreds of thousands of Canadians who are willing to see this happen and give up their standard of living to buy Canada back is living in a dream world.

It has been said that politically and economically the motive of self-interest is the mainspring of human conduct. This is the motivating factor behind our technological development. The stout hearts and sharp swords of today are those who make the sacrifice to forge ahead in a continuous surge to open the door to new knowledge. Neither management nor labour is prepared to accept a decline in its standard of living for purely sentimental reasons. Where are these thousands of Canadians? I can tell you: they are sitting down earning fat, academic salaries out of the public purse, arrogating to themselves a unique understanding of the Canadian heart.

The average Canadian does not live in fear of the culture of or domination by the United States. The economic nationalists are misreading the temper of the Canadian people. It is absurd to say that this House is under American domination. I saw no American domination in our decision to pass the Arctic Seas Pollution Prevention Act. There were was no American interference in our decision