$1,296 million, that is four times more than in the comparable period in 1969.

At that rate, if the government experts are right in their claims, Canadians, who have had a trade surplus four times as great as in 1969, should enjoy a higher standard of living, unemployment should decrease, the actual salaries of workers should go up, while industrial and commercial undertakings should know greater prosperity.

But that is not the case, Mr. Speaker. Except for the fantastic increase in the profits of financial and banking institutions, industrial profits are lower—the Prime Minister made mention of it a while ago—while the true domestic production has decreased.

This, Mr. Speaker, is no unfounded statement. The bulletin of the Dominion Bureau of Statistics tells us clearly, and I quote:

The seasonally adjusted index for domestic production in Canada increased by 0.4 per cent in July. The increase is due to a higher productivity in the service industries, whereas in the goods industries, there was a decrease of 0.5 per cent.

Such are the facts, Mr. Speaker. In Canada, the production of true wealth is going down whereas exports are increasing at a high rate; exports were worth $4,525 million during the first 6 months of 1970, against $3,809 million during the first 6 months of 1969. This means an increase in the export of goods produced by the Canadian people of over $700 million, or $300 for each citizen.

Meanwhile, inflation is denounced and workers are blamed for demanding the higher wages required to meet the ever increasing cost of living.

• (4:00 p.m.)

What hope is there that prices will go down in Canada if the production of goods and wealth does not increase, and if the amount of goods and wealth exported keeps going up? Increasing exports and production at a standstill can only result in a scarcity of goods for the Canadian people and thus cause prices to rise because of the demand of consumers still able to afford those goods.

They want to solve the problem of inflation, but actually the methods used only make it worse, because while production remains at a standstill, the Minister of Industry, Trade and Commerce (Mr. Pepin) makes every effort to export as many goods as possible. In so doing, he creates a scarcity of goods. On the other hands, he allows entry into Canada of a foreign purchasing power which can only contribute to step up inflation.

The Canadian government announces in the Speech from the Throne its intention to amend the Export Development Act. We do not know yet what is in the mind of the responsible minister or what the intentions of the government are.

If through this new legislation the government wishes to increase exports further, thus depriving Canadians of the goods they produce and bringing about a new increase in prices, all the Canadian consumers will lose their shirt because, with incomes frozen, as it were, by the Prices and Income Commission, they will have to be satisfied with a smaller quantity of products, which in turn will naturally produce a new increase in prices.

Another problem relating to our transactions with foreign countries is that of foreign investments in Canada. While it is feared all across Canada that financial domination will also bring about political domination, it is rather disappointing to realize that the latest figures bear out that the movement, started a few years ago and promoted by the preceding governments, both Liberal and Conservative, is only increasing under this government, so that Canada becomes more and more dominated by foreign finance to ensure its own expansion. This country is becoming more and more enslaved by foreign finance. Indeed, Canadian industries become more and more the property of foreign investors and our natural resources are falling into the hands of foreign powers.

We understand very well the policy of the Canadian government to introduce a bill to amend the Atomic Energy Control Act. Atomic energy will be tomorrow the most important source of energy in the world, and as we have in Canada natural resources which permit us to hope that that energy will be available to Canadians, our government is taking the right step to ensure that that energy remains available to Canadians and under Canadian control at that.

But why, at the same time, does the Canadian government not do the same in connection with the other energy sources which it surrenders to the greed of foreign interests, mainly on the international level? Why does it not do the same with respect to the oil and natural gas resources? Why does it not do the same with respect to Canadian water and energy which are about to be controlled entirely by foreign interests?

Not a month go by, Mr. Speaker, without Hydro-Québec, for instance, calling on American investors. As late as yesterday, the Premier of Quebec went to the United States to ask American financiers to come and invest in the province of Quebec, thus letting them take over the control of Quebec wealth.

The same thing is done by the federal government when it appropriates the greater part of the revenue from our natural wealth. Out of each dollar paid to Hydro-Québec for the consumption of electricity in Quebec, more than 25 per cent is used to pay interest to American and European financiers.

But why does the federal government not warn the Liberal government of Quebec against giving control of water and power resources in the Bay James basin to American interests? Perhaps Premier Bourassa would be interested in developing and harnessing those resources.

Indeed, as time goes on, control by foreign finance weighs ever more heavily on our economy. The statistics published by the Dominion Bureau of Statistics, on September 22, 1970, are quite explicit in this connection. At a time when experts find deplorable this domination by foreign finance, we have to conclude that foreign finance has more and more power on this Liberal government.

• (4:10 p.m.)

I quote from a report of the Dominion Bureau of Statistics:

In the second quarter of 1970, the transactions (direct investments) with non-residents resulted in a net $165-million increase of direct investments in foreign-controlled companies