

The Address—Mr. Chaplin

program. I believe it has made a great contribution in levelling out unemployment and minimizing the winter peaks that we have had in the past. There are two other major contributing factors to unemployment in this country and one of them is related to our trade policies. We must stimulate industry in this country. We must try to create conditions that will encourage Canadian industry to manufacture here many of the things that we are importing into this country.

I intend to come back again to the question of trade but there is another factor relating to unemployment and that is the question of automation. Automation means many things to many persons. However, it is generally recognized that it contemplates the use of improved and usually automatic machinery and improved techniques to reduce the unit cost of a given article. In a general way it also means that those employed require higher skills and training, and the ones that usually suffer in any contraction of employment are the unskilled.

This situation, coupled with the expanding school population and the added thousands of young people who are now starting to join our work force, is presenting the department and the government with a very real problem. However, the vocational training program which was inaugurated by the government in conjunction and co-operation with the provinces is now beginning to demonstrate its great possibilities. There are those who have suggested that this has been done altogether too quickly and that buildings alone will not answer the problem. This is undoubtedly true to a degree and the need for such a program should perhaps have been foreseen many years ago. It should have been foreseen and acted upon by the previous administration. Nevertheless great progress is being made and I am convinced that over the years this will benefit those coming out of our schools and will give an opportunity to increase and upgrade the skills of those who are at present in our labour force and face the possibility of unemployment.

To mention again the problems arising out of automation, the settlement which was recently made between the unions and the railways in this country caught my eye. I do not propose to make any comment on the economic aspects of this settlement, but I do suggest that the provisions that have been made for taking care of employees who are likely to be released because of improved efficiency in operation and the retraining of employees where this is possible could well recommend themselves to other industries under similar conditions.

Although the minister did not enter directly into this matter, nevertheless I feel that these

particular terms with respect to this settlement would express his views, his feelings and, I believe, his philosophy. Those who know the minister know that he is one with an innate sense of fairness, one who inspires confidence and one who gives leadership toward co-operation.

One of the most persistent problems that has plagued this country over the years, Mr. Speaker, has been our huge and chronic adverse balance of payments with the United States, of which our imbalance of trade makes up a major portion. This problem is directly related to and is a major contributing factor in our foreign exchange crisis that was precipitated and triggered last June. The huge amount of excessive imports into this country, made up largely of fully manufactured consumer goods, has been paid for by the importation or bringing in of foreign capital.

I do not want to be misunderstood, Mr. Speaker. I am not opposed to foreign capital investing in this country, in fact quite the opposite; but it is surely one thing to employ foreign capital to provide capital goods and productive machinery which will earn their keep by future production and quite another thing to obtain foreign capital to enable this country to use up imported consumer goods when this capital has to be paid for from some other source at some future time.

In my view our position in this country can readily be likened to that of an improvident farmer who sells the bottom five acres of his land to take a trip to California or Florida. This is exactly what we have been doing in this country. This is the way we have been living. We have been squandering and dissipating our assets to take care of our current living.

In 1961 our importation of consumer goods was close to \$2 billion. A very substantial portion of this was fully manufactured goods that could be made in this country. Does this not surely suggest something to us? Surely it suggests that we must make every effort to encourage the further industrialization of our country because, important as primary industry is, important as our great wealth of raw materials will remain, we simply cannot look to that source in the future for the expansion that must take place.

Canada and other free nations contribute and must continue to contribute assistance to underdeveloped countries. This assistance is in the form of technical aid, money to provide modern equipment and the tools of industry, training, etc. When these measures of assistance are given, the one opportunity for their utilization in underdeveloped countries lies, first, in the field of development of their own