

Export and Import Permits

grass? We can say that if they want to raise beef, look after it and slaughter it, that is all right, but they can buy Kobi beef here already packaged.

Is there any reason that we should sell lumber and not pre-cut homes with furniture for them at the same price at which we sell our lumber? The same applies to pulp. We can say that we will sell it at the same price as toilet tissue and J-cloths. That would be using the raw product of Canada developed in its best fashion for the markets of the world.

I hope the minister, in using these controls that will be given to him under this legislation, will use them in that type of discretionary fashion. I realize it is not possible to have one blanket law covering all commodities. The situation in respect of each commodity is slightly different. In respect of some it may be drastically different. That is the reason it would be very difficult to spell out exactly what should happen in respect of every commodity covered by the Export and Import Permits Act. I suggest the minister should follow that approach, look at things and say that we will reduce the quota of raw product exported from Canada and demand of our customers that if they want the raw product they must buy the finished. We should organize the trade of Canada so that the price product of the raw will be the same price as the manufactured. In this way we could build a decent society and as a nation get what we deserve from the raw products of our soil, our farms and our mines.

Some people may say that the cost of what I am talking about is pretty enormous, that it includes subventions and the bankrolling of producers. It may include significant tax changes in favour of manufacturers or processors. Some of these are approved of and some are under attack by members of the New Democratic Party. I say that as a nation which can afford \$3 billion for unemployment insurance and manpower surely we can afford to say that work is beautiful and that Canada is worth working for, that it is worth using the resources to make ourselves grow as a nation. Canada has huge advantages in 1974. The world is crying for raw products. The only thing that can be done with a raw product is manufacture it, and if people are crying for the raw product they will take the finished product. It may not be as easy to sell the finished product as the raw product, but only if we take advantage of our position will we as a nation be able to grow and be a nation which the Leader of the Liberal party said will be our destiny in the twentieth century.

I fervently hope that with the passage of this bill the government will use its ability, initiative and the advantage Canada has as a nation to make this country grow. While I have grave doubt as to the managerial ability of the government, surely even simple Simon can sell raw products in this world today.

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, the bill which is before us today is long overdue vis-à-vis the industrial development of Canada. It is designed basically to do two things. It is designed to give power to the government to restrict the export of our raw material unless processed in conjunction with government policy. Secondly, it gives the government the power to control the export of any surplus raw material we have in Canada

[Mr. Blenkarn.]

selling at depressed prices. I think both things are commendable. I believe both are long overdue.

There are a couple of matters I should like to raise of concern to me. The first is that the government should use this policy once it is adopted, because for all too long in this country we have been exporters of raw material and importers of manufactured goods. We have been a hinterland economy responding to the whims and wishes of multinational corporations and United States entrepreneurs. We export most of our raw materials to the United States and we import manufactured goods. Canada imports more manufactured goods than any other industrialized nation in the world and that is why a bill of this sort should be part of an industrial and economic policy to develop Canada for the future. We must see it in that light, not as a solution but as a step toward developing a nation that is regionally balanced and has a rational economic policy, a nation that is in control of its own economic destiny. I hope that this bill will move us a long way in that direction.

● (2040)

Because of the fact that we are an exporter of raw materials, that we have had a very high unemployment rate, and the extraction of raw materials is capital intensive rather than labour intensive, we have built into our economy a high level of unemployment structurally. A bill of this sort, taken together with another more comprehensive policy, will go a long way toward getting rid of some of the structural unemployment in our economy.

The former member for Duvernay, Mr. Kierans, stated in the House a number of times that a \$100 investment in the extractive industries would probably provide about \$5 to \$6 worth of wages, but that a \$100 investment in the manufacturing or processing industries would probably provide wages of about \$25 to \$30. Despite those facts, over the years we have had a government that has pursued a policy that has given incentives to the mining, gas and oil industries to extract their resources from underground and ship them across the border to be processed elsewhere. It is about time that that policy was changed for the benefit of all Canadians.

This bill in itself is very subjective. I hope that this government does have some policies regarding the processing of raw materials in this country, but I realize that in many ways the bill must be subjective because all commodities are different and cannot be treated the same. For example, it might be to the advantage of Canada in some areas not to do too much smelting because of pollution problems. But those are things that can be taken on balance if we have a comprehensive industrial and economic policy. Those things would be part of that policy.

Another thing that we should consider in the upgrading and processing of raw materials is regional balance. This is missing in the bill before us today. The bill gives the government the power to insist that producers of raw materials manufacture them in this country in the national interest; but it says nothing about where that processing should take place. For all too long most of the manufacturing has been concentrated in the golden horseshoe in southern Ontario, in Montreal and in Vancouver.