

*Trade*

All hon. members are aware that much time has been lost in useless discussions; because of the installation of a television system many of us have tried to get more coverage without giving enough thought to the serious attitude which should prevail in this Parliament so that we may find real solutions to the many difficulties facing Canadians.

There are many problems and it is quite difficult to choose one that should be given priority: unemployment is increasing continually as is inflation created by a financial system in constant contradiction with present economic realities. The control methods implemented have shown that it was easier to control wages than prices. As we approach the decontrol stage, let us wish that results will be better. There is also the problem of distributing quotas to dairy producers and the delay in payments to fluid milk producers. The farming industry is a very important sector. Those who are responsible for that distribution have certainly been very careless in coming to grips with that kind of problem.

We all know that Canadian manufacturers have many difficulties to orient their production in an economically efficient way considering the inconvenience of the competition which is often unfavourable to them on several aspects. In the field of textile and footwear particularly, the government will have to make a decision and it is urgent, to find something else than slowness, inefficiency or motherhood statements which until now did not give Canadian manufacturers the guarantees needed to contribute positively to maintain and create the jobs so badly needed at this time of chronic unemployment.

A paper entitled Action Program submitted by the Canadian Manufacturers Association to the right hon. Prime Minister of Canada (Mr. Trudeau) and all hon. members of the House pointed out the main factors of the productivity unsteadiness of manufactures. The contents of that paper is a recapitulation of valuable and practical suggestions made by people who have to face the day to day problems caused by international competition on the Canadian market which is too often directly responsible for lower employment in Canada. I shall quote clause 5 of part 1 of that action program which draws to the legislator's attention what could be done to improve the situation. I quote:

The competition policy should be enshrined in our statutes. It should promote the dynamic trends of the market and allow the interference of government only in cases where the abuse of the market power is a barrier to the realization of actual cost savings. To that end, Bill C-42 should be significantly changed particularly as concerns amalgamations, joint monopolies, price differentiation and indirect actions as we pointed out in our separate paper on that bill.

As a matter of fact, they were saying that they had already mentioned the delay which may result from Bill C-42. The November 26, 1977 edition of *Le Devoir* featured a large size advertisement which was paid by the Canadian Federation of Independent Business and which indicated that some 45,000 medium and small size businesses in Canada are demanding a reorganization of our economy. The purpose is to develop a system of free competition in Canada and obtain for independent businessmen a greater say in the administration of the legislation which governs business and the nation.

[Mr. Dionne (Kamouraska).]

Those who are in favour of restricting the imports of clothing in Canada argue that keeping people at work is better than paying them unemployment insurance and other welfare benefits. Our textile industry generally meets the international standards of productivity; it should not have to compete unfairly with an industry situated in world areas which are providing special tax concessions as well as cheap labour.

The establishment and expansion of an industry in any region will never take place by chance. The establishment of an industry requires several favourable factors: first of all the entrepreneur, manpower and capital. Those are the three main factors, but several others are needed to ensure the survival and expansion of an industry; a climate of security and stability is sought by any industrialist.

It is obvious that the serious entrepreneur wants to be sure that the investments in a new industry will be secure and stable. In our ever changing world, small and medium-sized industries are faced with problems of adaptation, the solution of which is closely related to their survival. The vulnerability and fragility of small and medium-sized industries are facts which have to be taken seriously, first of all by governments and also by employees who owe their subsistence to the jobs thus created. The present circumstances are well suited to show that the private sector's role is not to deal with and settle all the society's evils. It does not exist to do that. There are some who ask for the suppression of private enterprise and its replacement by state enterprise, under the pretense that private enterprise has not been able to solve the problem of the fair distribution of goods and services. It is not the duty of private enterprise to see to it that the goods which it produces be fairly distributed. Such is the role of the government which is endowed with all the powers to act in the distribution of goods. The prime function of enterprise is to provide goods and services at the cheapest possible cost in order to satisfy the existing needs.

It is not by entrusting to state enterprises the role which is presently played by private enterprise that the issue of distribution will find its solution. The same problems will keep existing because, in fact, only the name and the owners of these enterprises will have changed but the root of the problem will have been left intact. The distribution of goods is a role which belongs to the state. And so long as the state will not decide to assume such a role, there will still be problems of distribution. Modern production capacity is practically unlimited, with regard to both volume and diversity. Usually when we do not choose to carry out massive destructions, such as in war-time, or by creating artificial shortages, products are offered or can easily be offered in great supply to answer the needs of consumers. The economic issue of modern times is not therefore a problem of production but a problem of distribution.

The final objective of production must not be profit, but the satisfaction of human needs. However, profit is an incentive which has proved itself and to suppress it completely would result in taking the chance of considerably reducing the production output and thereby frustrating consumers by imposing