

Canadian Trade Policy

The current round of multilateral trade negotiations aimed at cutting tariffs and other barriers to trade will not be completed until some time in 1978 following a period of ratification by participating countries, namely because of the slowness of the negotiations in respect of agriculture. The changes in tariffs and other trade practices would be phased in between 1980 and 1985.

Mr. Speaker, because I know there are certain other members who wish to speak, I want to close by saying that in viewing the Canadian situation in relation to the negotiations that will be going on at the present time in Geneva, what one sees, having been over there, is a great gap. The Minister of Industry, Trade and Commerce certainly did not close that gap this afternoon. The business community is totally lacking in faith in the government. As I mentioned at the beginning of my remarks, the government's position over the next few years will be extremely difficult because of its preoccupation with the Anti-Inflation Board and because of the general philosophy of the Prime Minister which he espoused around the first of 1976. Because of this, the Canadian business community will have to be shown in no uncertain terms that the government means business in the upcoming round of the Tokyo talks. This will mean that the government will have to encourage and help business to become more competitive, while demonstrating that it does not want to become a permanent fixture in the life of Canadian business.

There are some thorny problems which must be resolved before we can move ahead as a dynamic trading nation which we would all like to see. I will state four of the problems briefly. First, Canada cannot generate adequate wealth and create the quantity of the right kind of employment through resource industries and service industries alone. We need a strong awareness from the government and unions and a commitment from Canadians generally that we must build and cultivate manufacturing enterprises. This has not been done to the extent it should have been up to this time. Then we need the determination to pursue the kind of policy to build a strong manufacturing industry.

Second, our interest must be refocused on the problems of high costs and high taxes which have cut into Canada's productivity performance over the past year. It is unlikely that we will arrest the exit of Canadian firms which are establishing new facilities in the United States instead of Canada until we take measures to correct the cost disadvantages relative to those of our trading partners, such as interest rates, wage rates, relative productivity and the cost of plants and equipment. Third, the federal government must begin to realize that the purpose of the Anti-Inflation Board ought to be redefined as a vehicle to aid our economic recovery, not simply to burden companies with higher administrative costs while controlling prices. The immediate priority is for Canada to work itself clear of controls as soon as possible. Finally, the federal government should look at pursuing a selective tariff policy to reinforce the sectors of the economy which offer the greater potential for growth and exports.

I look forward to listening to the remainder of this debate today because, as I said before, it is a most serious and important matter. I thank you, Mr. Speaker and the House, for the additional time.

Mr. Alan Martin (Scarborough West): Mr. Speaker, I should like to open my remarks in the debate this afternoon by addressing myself to some of the comments made earlier by the hon. member for York-Simcoe (Mr. Stevens) and by the hon. member for Waterloo-Cambridge (Mr. Saltsman). I think we all understand that this is indeed an opposition motion with which we are faced today. It is a motion which I assume is sponsored by the hon. member for York-Simcoe, the financial critic of the official opposition. It is a motion which in my view would seem to ask the government to encourage its negotiators at GATT to cease their role as negotiators and substitute therefor the role of messenger or of some sort of weather-cock.

I suggest the hon. member cannot really be serious. I am sure he understands far better than many members of this House the difficulties and sensitivities involved in international negotiations of this sort. Surely he must understand the need for quiet and speedy negotiations in such international settings.

Mr. Stevens: After discussion with those concerned.

Mr. Martin: The hon. member refers to discussion with those concerned. I think we all heard earlier the speech by the Minister of Industry, Trade and Commerce (Mr. Chrétien) in which he indicated that there were no less than 200 briefs received by his department and 70 oral consultations with people particularly from those industries which would be affected by any GATT negotiations which might take place. How can this be termed secretive? What does the hon. member mean by "consultation"? I believe there is a limit to which government can go in the consultative process. When 200 briefs are received and studied by senior departmental officials, and when there are 70 oral discussions with industry people who would be affected, surely that is meaningful consultation.

I suggest that, as usual, the official opposition party this afternoon has indicated that it has no policy and no position. As the minister said, this is more an attempt to simply score some sort of brownie points for the record, which I suggest are rather cheap shots. In my view, the hon. member for York-Simcoe is speaking with a complete misconception or an apparent lack of conception concerning what makes this country tick. There are many international implications which we have as a nation within an ever-shrinking world. We have international responsibilities that cannot simply be turfed aside based on whether we have free trade or not.

The hon. member for Waterloo-Cambridge indicated some of the difficulty in this area. Certainly, the government has not come down hard with a policy either for free trade with the U.S. or other countries, or no free trade in the long-term. It is a very difficult and complicated area, and the hon. member for York-Simcoe, I suggest, as the hon. member for Waterloo-