

Supply—Trade and Commerce

very substantial part of those markets through the Pacific ports. We tend to think of the Pacific ports as shipping wheat to China, as shipping coal and the products of the petroleum chemical industry to Japan, and we forget that those ports provide us with entry not only to the western U.S. markets but also to a very extensive part of the potential South American markets as well. Therefore, by every criteria we can find reason to expand our interest and develop our policy as it applies in the Pacific.

In Dr. Smith's speech, to which I referred earlier, he outlines on the final page what he considers to be the Japanese approach to their economic development in the present world of trade and commerce, of rapidly changing economies and technology. The points he outlines as being the objectives of the Japanese government are, I think, important in the creation of Canadian policy. These are some of the things he suggests the Japanese have done, and which I think we should examine with great care and perhaps adopt ourselves:

—a broad capacity among decision makers in both the public and the private sectors of the economy to think in terms of longer range economic probabilities and potentials, and not merely in terms of short term opportunities and problems;

—a broad consensus as to what these potentials are, and what are the chief obstacles to their achievement;

—a broad understanding of the processes of economic growth, underpinned by objective and high quality economic analysis;

—a broad acceptance of the uncertainties and strains of rapid adjustments to change which are an invariable feature of swift economic growth; and

—a broad willingness to support government policies designed to promote economic growth.

If this has been the basis of Japanese policies; if this is what the Japanese people accept, both in public and private life; if this is what they believe they can and must accept to achieve their objectives, then we should be examining these policies as a basis for developing our own policy, because Japan has expanded at the most rapid rate of any nation in economic and industrial growth during the post-war period.

In that context we can think of the development of the Japanese merchant fleet and its shipbuilding industry. These are spectacular things of which those of us who live in the Pacific region are very much aware. We see their ships in our ports. We see the volume of commodities they are carrying to ports all over the world. We know what their strength is as a customer for our products. In B.C., Alberta, Saskatchewan and Manitoba we know the importance of their purchases

[Mr. Fleming (Okanagan-Revelstoke).]

from us, and we are well aware that Japan is buying some \$200 million more a year from Canada than Canada is purchasing from it.

This is one nation in the Pacific upon which we have become very dependent in our trading relations, but there are other nations in the Pacific which, over the period of the next decade, will be developing and, if not as rapidly, will be improving their economies so as to enable them to trade on fairly equal terms with us. There will be a tremendous opportunity in those nations for our industries in western Canada, and I assume also for all industry throughout Canada which has developed skills and specialities to the point where it is able to meet the demands of export markets wherever they exist.

Therefore I think we must come back to a very careful analysis of all the elements of government policy in the Pacific if the minister is to achieve the maximum potential of trade policies in that region. I would think that the news which the newspapers have carried during the past few days would be of interest to him, in the sense that he himself should make it of interest to his colleagues the Minister of Public Works and the Secretary of State for External Affairs. It is the news that the great glacier in Tarr inlet in the Alaska Panhandle has receded at such a rate that it may be the inlet now extends ice free into B.C. and provides us with a corridor to the sea that would give us the shortest communication with the Pacific from the southern Yukon and northern B.C. resource region.

There would, of course, be problems in acquiring port facilities, perhaps even free port facilities in the United States if the recession of ice has not been such as to permit the creation of a port entirely on Canadian soil. This inlet could provide us with a further outlet on the Pacific, and it would tap a region that has had great difficulty in getting its products into world markets because of the problem of having to ship them through U.S. ports, of paying U.S. stevedoring wages, and encountering the difficulty of shipping them to outlets on the Pacific. If we can get the products of that region direct to the ocean, which provides the shortest route of sea communication, rather than having to transport them over railway lines to the more southern ports, then we can reduce the cost of getting raw material and manufactured products into world markets.

A few weeks ago I asked the Minister of Public Works whether any step was being taken to reconvene the conference that was