your imports at the same time. To the extent that you increase your exports you have to increase your imports. This is a nation that imports more finished goods per capita than any other nation in the world. What good is that?

Trade is good as long as you get some benefit from it. If all you are doing is depleting something you cannot replace, and living off the fat of the land, that is not doing much good. This is essentially the kind of policy we have been pursuing. No one seems to be willing to understand that simple equation, or that you must make some kind of a choice as to what kind of a country you want to be. We have not made that choice, so the natural thing is to follow the easiest course, selling off our raw materials, leaving the other side of the matter alone, hoping things will work out. They have not worked out. Let me give one example.

Most of us have received a brief from the Canadian electronics industry, pointing out the serious situation that industry is in now. The brief pointed out how the Canadian market has been declining. As a matter of fact, this industry in Canada is not even getting its share of any increase in demand in the Canadian market. This is an important industry, and the government recognized its importance by pumping something like $37 million into Microsystems in an effort to get that industry started. This was on the advice of the Bell Telephone subsidiary, Northern Electric. This did not work out, and we still do not know why.

Perhaps the reason it did not work out is the reason which has been put forward by the government, that it was just not in the cards. Perhaps the reason is, as Northern Electric has put forward, that they just cannot make a go of it. In any event, we really do not know what is the reason.

In a speech the other day Mr. Pollock, of Electrohome, pointed out something that has been pointed out in every single report on this Canadian industry. He said we require a rationalization of industry, and that this is a requirement not only of this industry but of every other industry as well.

Where is the rationalization on the part of the government? Quite to the contrary, I suggest that in respect of the rubber industry, the electronics industry and others, all the government has done is use DREE grants and other incentive programs to proliferate the number of firms in each field to the point that none can survive.

This brief from the electronics industry asked members of parliament to support an increase in tariff protection, in other words, to go back to a policy of 100 or 110 years ago. I suggest that you really cannot protect an industry by increasing tariffs. This may provide a temporary solution, but any industry that has been in existence for 60 years and still requires high tariff protection has something basically wrong with it.

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What is wrong is that the structure of that industry is abysmal, and the government has made no attempt to do anything about it. One reason the structure is so bad is that so much of it is foreign-owned. It is almost impossible for any rationalization to take place because of that. In spite of that, however, if there were any indications that the government had a program or a plan, even that could be overcome.

I am personally acquainted with many people in industry in my riding, and I am impressed with their intelligence. They understand, but the government does not seem to understand. So the elimination of the rubber and tire industry will continue and the Minister of Finance will say it is all because of high labour rates. These industries were going down before labour rates started going up. These industries have always been going down regardless of labour rates. That is not the problem. I am sure it may be a contributing factor in some cases, but it is ridiculous to blame the problem of industrial development on labour.

I am asking the members of the Committee on Finance, Trade and Economic Affairs to take the initiative and bring the question of Microsystems before the committee. I am asking them to approach the government and request such a reference. This is not designed to embarrass the government or embarrass Northern Electric. The purpose is to find out what is happening and why we have such failures in this country when it comes to developing secondary industry. I would hope the members of the committee to whom I have written, and members who have Ottawa constituencies, will give me their support so that we can have a sort of all-party look at the kind of thing that is happening to our society or to our industry generally.

I get tired of the sort of simple-minded answers in which the Minister of Finance blames everyone and everything. Sometimes he calls it disruption in the United States, and sometimes he relates it to international events. It is always something else. His latest *bête noire* is labour. I suggest that he should look at government policies. However, this would appear to be a party which does not believe in planning. It does not believe in doing anything until it is struck by a disaster.

We had the same situation in respect of energy. It was not until we were faced with an energy shortage that someone in the Liberal government got off his rear end and started to do something about it. It is ridiculous that in this country, with such fantastic surpluses, we went into a winter in which we nearly ran out of heating oil, had to buy oil at a fantastic price and, like a squirrel does with nuts, put it away in case we should run out of fuel. That is a terrible indictment of a government's inability to look further than the tip of its nose at any given time.

I want to say something about the Microsystems situation. I said I hoped I would receive co-operation from the members of the committee in respect of the point I am trying to make about the importance of reviewing the reason for the loss of Microsystems. There may be perfectly good reasons about which we cannot do anything, but what about the rest of the electronics industry? Will that also go down the drain after all the money that has been invested? We have poured money into every electronic company in one way or another.

I have no quarrel with Northern Electric. I think in many ways it is one of the most innovative companies in this country. It carries out much valuable research. However, there is something wrong either in respect of the advice this government is receiving or the kind of fore-