

*Canada-U.S. Automobile Agreement*

Pickersgill) last Saturday in which he took issue with the new Democratic Party and said:

In order to defeat the Conservatives, it will be necessary to persuade those voting N.D.P. to vote Liberal. "I consider the N.D.P. to be a sort of mosquito which distracts voters."

It also distracts the Government from time to time. I know of no Government that has needed distraction more.

**Mr. Pickersgill:** Don't you think we have had a fair amount?

**Mr. Douglas:** The article continues:

"Any practising Liberal politician is concerned with satisfying the same progressive part of the population as that to which the N.D.P. caters."

The main characteristic of the N.D.P. was its desire to spend unlimited amounts of money without restraint.

● (4:50 p.m.)

He goes on, and this is in quotes:

They act as though the money that the Government spends comes from heaven.

Well, Mr. Speaker, the concern of the Minister of Transport (Mr. Pickersgill) about the sums of money the Government spends comes poorly from a Government that can afford to make an annual gift of \$50 million a year to the three large automobile manufacturing companies. Is it not amazing that the Government is so concerned about the New Democratic Party asking them to spend money when it comes to talking about medicare or old age pensions, but without even referring the matter to Parliament they can find \$50 million a year, not for the Canadian public, but \$50 million a year for the three large car manufacturing companies? I would think that the next time the Minister of Transport wants to come out and tell the public about us thinking money comes from heaven, he should first of all explain this gigantic give-away under which this Government, without reference to Parliament, without reference to the elected Members of the House, is handing to these three companies a total of \$50 million every year the agreement is in effect.

Now, Mr. Speaker, what we want to know is what is the public going to get for this \$50 million a year? We are told that the companies will invest this money in expanding and retooling their plants in order to conform with the process of rationalization. There is no guarantee of that, but that is the hope. However, when they have invested this amount of money, which over a period of ten years will be \$500 million, the new plants and the retooled plants will

[Mr. Douglas.]

belong to these companies, although they will have been built with money which belongs to the taxpayers of Canada. This is the first thing to remember. The Canadian people will have put up all the money for this plant expansion and retooling, but none of it will belong to the people who put up the money. It will all belong to Ford, General Motors and Chrysler. This is the give-away in which this Government has indulged.

I want the House to note, first of all, that there is nothing in this agreement that guarantees that any of the benefits of this agreement will be passed on to the Canadian consumer who buys a car. Canadians will continue to pay, and are continuing to pay, the same high prices for their cars that they paid before. Already, evidence is coming forth that the Ford Motor Company of Canada is shipping, on an experimental basis, 400 cars a month to the United States. These Canadian made cars will be sold in the United States for less than the same car is being sold in Canada. There is evidence that Chrysler Corporation hopes to ship 80,000 Valiants to be sold in the United States at a figure which will be considerably less than the same car will retail for here in Canada. I have a voucher here from the Ford Company shipping a Fairlane two door car shipped to Buffalo, indicating that the street price is \$2,307.60. The same car sells in Canada for about \$2,880. When you consider the difference between United States and Canadian currency, this car is selling in Canada for some \$300 more than the car which was shipped to Buffalo.

I believe, Mr. Speaker, it is sheer nonsense for anyone to talk about this being a free trade agreement. This is not free trade. This does not allow me or you or any other Canadian consumer to go to the United States, buy a car and bring it into Canada. Of course we cannot, nor can we bring in any part for a car. The only people who can do this are the three automobile manufacturing companies whom I have named. This is a very special privilege. There is nothing in the agreement that I have been able to find which guarantees that prices to the Canadian consumer will eventually be reduced to the same figure as those Canadian made cars are being sold for in the United States.

I thought it was rather significant that when the Automotive Products Trade Act was before the Congressional Committee, there appeared before the Committee Mr. Leonard Woodcock, Vice-President of United Automobile Workers Union. It is interesting