

Government Organization

in my remarks last night I said I hoped to see Canadian workers become more productive. I spoke of the rationalization of industry and removal of tariffs. We recognize that what the Fifth Annual Report says is true. We ought to be moving towards free trade. Our party accepts that, but thinks that we can only have it when our industry is sufficiently competitive to exist in a free trade atmosphere.

Mr. Perrault: I must confess that is not the impression I obtained after reading the hon. member's remarks in *Hansard*, which seemed to be confusing. I did not think he said anything about reducing tariffs or free trade.

Mr. Saltsman: Will the hon. member permit a question?

Mr. Perrault: Could I answer in a few minutes. I wish to finish reading from the report of the Economic Council. I continue reading from page 156 of the report:

Recent studies have concluded that this "production effect" of the tariff (both Canadian and U.S.) may be very substantial—indeed that the economic costs to Canada may be significantly higher than the "cash cost" of the Canadian tariff—and that these combined economic costs may constitute a very significant element in the large and persistent gap in productivity levels and in the average levels of real standards of living between Canada and the United States.

I apologize to the committee for quoting so extensively from the report. I have great respect for the Economic Council as other hon. members have.

Some are concerned about competition from the Pacific rim countries. I point out that Canada sold \$605 million worth of goods to Japan in 1968. That was an improvement of between 5 per cent and 6 per cent over the 1967 figures. Of that amount, almost \$300 million worth of goods came from my home province, British Columbia. The trade provided thousands of jobs, and incomes for our productive work force in British Columbia, and, in turn, millions of dollars for the federal treasury. I submit it is wrong to say that trade with Japan and other Pacific nations conferred some sort of special benefit upon British Columbia alone. Ontario sold Japan lumber, agricultural products, copper, scrap iron, minerals, chemicals, machinery and other products covering a wide range in 1968. No wonder an Ontario trade mission headquarters will be opened in Tokyo and no wonder the minister's department has been so dramatically improved and expanded over the past two or three years.

● (3:50 p.m.)

The province of Quebec sold over \$65 million worth of goods to Japan in 1967. The figure was up in 1968. The Atlantic provinces sold farm products, lumber, copper and other minerals to name a few of their exports to the Pacific area. Our friends on the prairie sold millions of dollars worth of wheat and grain, almost \$77 million worth of wheat and grain from Saskatchewan alone in 1967, oil seeds, chemical fertilizers, flax, rapeseed and propane gas.

Recently, we sent a trade mission to South America. My perspective may be different, Mr. Speaker, but it seems to me that our order of priorities should have placed a mission to the Pacific rim nations before the South American junket. As an illustration of the fantastic potential of the Pacific, the statistics show that through western ports Canada exported goods to the value of \$505.9 million to Japan; almost \$60 million to Australia; \$750,000 to little Fiji; over \$10 million to New Zealand and over \$1½ million to other Pacific Islands including French Oceania, British Oceania and other destinations. Exports to other Asiatic Countries amounted to \$160.5 million to Mainland China; \$35 million to India; \$9.4 million to Hong Kong; \$8.5 million to South Korea; almost \$10 million to the Philippines and almost \$15.2 million to Taiwan.

I hope I may be forgiven for quoting from the weekly journal *Truth*, dated September 1, 1881, London, England:

British Columbia is a barren, cold, mountain country, that is not worth keeping.

Through the ports of the province of British Columbia, whose potential was dismissed so airily in 1881, there were \$2,249,343,296 worth of goods exported to the world in 1968. Of that total \$821 million worth of goods was produced in British Columbia, a 10 per cent increase over 1967. I suggest to the minister and to this house that the potential of western Canada should not be underestimated and I refer to all the provinces, Manitoba, Saskatchewan, Alberta and British Columbia. Western Canada holds the key to much of Canada's future prosperity. Through the ports of western Canada, Canadian trade can achieve potentials unheard of if we will but invest time, trouble and opportunity.

Let the minister in this parliament announce a trade mission to the Pacific. Let us seek co-operation with the four provincial premiers; let us not be working at cross purposes. Let the provinces be given the right