

The Budget—Mr. Lambert

are not being damaged by dumping get protection they do not need. It can be argued that many Canadian users of materials and other goods have to pay more than they should because of this so-called automatic anti-dumping protection.

The new convention is based on the test of injury or threat of injury arising from dumping, and we are required, therefore, to adopt a system involving an element of judgment as to the impact of dumping. This should not preclude us from providing protection against injurious dumping quickly and effectively. In agreeing to proceed on this basis we will be getting major improvements in the United States anti-dumping procedures which in the past have given rise to a great deal of harassment of United States importers of Canadian goods.

The new convention will lay down rules within which all signatories must operate and clearly Canada will need new legislation by mid-1968 to conform with it. We have now established a committee under the chairmanship of Mr. George Glass, the first vice chairman of the Tariff Board, to receive representations from all interested parties and to hold hearings on the kind of legislation that might best meet our needs within the terms of the new convention. We have already had a good deal of consultation with the industries and industry associations most likely to be concerned. When these representations have been considered we will bring proposals before the house seeking the necessary changes in Canadian legislation. That will provide an occasion for a detailed examination of this important issue.

I am confident, Mr. Speaker, that the tariff reductions agreed to by Canadian negotiators in the Kennedy round, involving as they do a significant element of rationalizing of our tariff structure and associated as they are with a decisive move to freer trade by the other great trading countries, will recommend themselves to Canadian producers as a just payment for the gains Canada will make in foreign markets. Canada emerges from the Kennedy round with a degree of moderate protection where protection is required but without excess protection. That is what is necessary for Canada in this increasingly competitive free-world economy.

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, listening to the Minister of Finance (Mr. Sharp) I was reminded of the days when I was going through law school. In the courses on Roman law one was always

coming across the phrase "pater familias"—the good, prudent man. It seems to me that the Minister of Finance has been working hard to burnish up an image of himself as a pater familias. But we are not at all deceived because we know the record of performance in some of the things he has been trying to do. Some of the difficulties he faces may be likened to a hair shirt which he and his colleagues fashioned but which they are asking others to wear on their behalf.

● (4:10 p.m.)

The minister assumed a rather sanctimonious air. He talked about the efforts being made to prune next year's estimates. I saw a press report a couple of days ago which said that the minister had effected reductions of about \$1 billion in his colleagues' estimates. It said that the anticipated budgetary deficit for next year was \$1,250 million and that when the minister looked at this figure he is said to have considered that \$250 million might be tolerable.

The report did not explain that what is now going on has been the experience of every minister of finance. Now is the time of year when government ministers are called before Treasury Board committees where their departmental estimates are examined and considered in relation one to another. This process continues until the estimates are finally settled upon and printed in the blue book. It is not a new process.

A figure of a \$600 million reduction was mentioned with respect to the estimates. All I can say is that it is fluff which has been pared. It is an old and established practice that each department, knowing its preliminary estimates will be cut back, puts everything down on paper. Then, following consultation with the Minister of Finance and other Treasury Board officials, the more valid options are chosen. These make up the final estimates.

What we will want to see is a comparison between next year's estimates and this year's expenditures. That is the crucial point because the main difficulty facing Canada is the monetary requirements of the government in competition with those of industry. I will return to that point, but unless the minister can show that with due adjustment for an increase in population, together with built-in statutory increases for certain expenditures, he is actually reducing expenses then all his talk is worth nothing.