

stands, the situation must be handled with care and forethought or we will find Canada's future will be one of rising inflation with a rapidly declining standard of living.

In due course I should like to see Canada tackle a massive export sales program. Canada's future has to be an international future. We must become salesmen to the world, not just of our resources but of our manufactured goods, especially those with a high technology component. Our research and development has fallen behind in relation to our gross national product and to the amount expended by other countries. It must be increased to keep us competitive in world markets.

We are blessed with an abundance of resources that spell optimism for the future. One of our greatest natural resources is agriculture. We have an abundance of good, arable land in Prince Edward Island, in the Atlantic provinces, in Quebec, in Ontario, in the prairies, in British Columbia. Canada has the potential to be one of the world's greatest suppliers of food. But we must think positively. The government must now recognize the importance of the farmer to the security of the future. The world needs food, Canada can supply it. Food power is going to be more significant in the next decade than petro-power.

In this connection, Mr. Speaker, I was startled to sit in this House and hear the Minister of Agriculture (Mr. Whelan) talk about raising the import quota on cheese coming into this country to some 50 million pounds. A constituent in my riding went back to his home town of Bristol, England, and he told me that he could not buy Canadian cheese in the local cheese shop. He was told that Canadian cheese was being rationed, so little of it was available in England. What a ridiculous situation. We are importing more and more foreign-produced cheese at the same time as we are cutting down the export of our product; and we used to be one of the world leaders in the export of cheese.

Let us look at what the Americans did when caught in a situation similar to ours with a significant trade deficit back in 1972. In that year they had a deficit of \$5 billion—no bigger than the present trade deficit in Canada. They felt the situation was intolerable, however, and went to their various producers, including agricultural producers, and told them to start producing and their products would be sold around the world. As a result of that activity, the economy was reversed from a \$5 billion trade deficit to an \$11 billion surplus within three years. Mr. Speaker, the same can be done in Canada. The same can be done with a government of vision, a government of decisiveness, a government that understands how to sell products all over the world.

Speaking of selling products all over the world, let us take one small example of how the United States managed to beat us in the sale of grain. As hon. members know, our grain is held in granaries in Canada and orders are processed after they are received. The grain is moved by our railways, if they are not struck, to our ports, if they are not struck, and eventually on to ships to go wherever the foreign market is, provided the ships are not struck. But what does the United States do? They place their grain in granaries around the world, for quick access, to be transported wherever the need arises. They have virtually put

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us in the position of being mere wholesalers of grain at the present time whereas they are retailers of the product.

In increasing our export trade it is essential that we increase productivity, especially in the manufacturing sector. It is in manufacturing that we have fallen behind so quickly and so regrettably. Among other western countries we have a lower percentage of our work force employed in manufacturing than any country except Ireland and Greece.

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Today we are the largest importers of manufactured goods, importing more than any country in the world. We import, per capita, twice as much in manufactured goods as Europe, four times as much as the United States and ten times as much as Japan. The Canadian International Trade Centre recently reviewed Canada's trading patterns between 1930 and 1973. The centre paid particular attention to our 1974 trade. It said that our trade has deteriorated, especially in group four categories, manufactured goods of higher technology content. Unfortunately, we have been losing ground with the rest of the world in this area. We need to do more research and development, to produce and sell goods with a higher technology content. In short, our technology must be as good as the technology of the countries with which we compete.

In our debate on this motion we must impress on the government how necessary it is for Canada to take a responsible approach to its trading partners. Is it not ludicrous that the leader of this country's Liberal party should have chosen to go to Cuba at this very time, in the name of developing trade?

Mr. Paproski: Shame!

Mr. Stevens: That visit was undertaken despite reaction in the United States, our chief trading partner. Remember, we export to the United States 97 times more than we export to Cuba. While he was in Cuba, the leader of our Liberal party said:

Leaders must come to terms with reality in the world and accept that they have to deal with countries with different systems of government. Perhaps Canadians, particularly the Liberal party, are a little quicker to come to grips with these realities.

The leader of the Canadian Liberal party is also reported to have described Castro as being a "pragmatic" and "charismatic" leader, a man who, in the ideological context in which he moves, is a man of world stature.

An hon. Member: Did he ask President Ford?

Mr. Stevens: What a contrast to what United States President Gerald Ford said last week. He called Fidel Castro an international outlaw. In my view, the leader of the Liberal party of Canada was foolhardy in his actions and words while in Cuba. Perhaps the Prime Minister intends to drive away United States business with Canada and in that way make us less dependent on that trade. In that way he could diminish our American trade imbalance without increasing our trade with other countries. A year ago today the House will recall that the Prime Minister was in Europe trying to put into practice the so-called third option of Canadian foreign policy, a policy which was designed to lessen Canadian dependence on the United