

*The Address—Mr. Hees*

shows very little resemblance to the situation on Parliament Hill. I would respectfully request the Solicitor General (Mr. Allmand) to look into the situation in Northumberland-Miramichi and carry on discussions with the Minister of Justice for the province of New Brunswick in an effort to increase the number of police officers for the protection of that area of the province of New Brunswick.

● (1200)

Now, I wish to express some of my reactions since becoming a member of parliament. I am impressed, of course, by these buildings which house us and by the various staff people who serve us. I am impressed by the cleanliness of these buildings, and the willingness of the staff people to help and assist us. I have found them without exception, to be industrious, courteous and conscientious, and I am happy to be able to commend them publicly. I am depressed, on the other hand, by all the hand-wringing and pessimism I witness in this chamber. When I listen to the predictions from the other side of the aisle, I have to wonder if this is Canada we are hearing about. I do not wish to pretend we have no problems. Indeed, we have. I believe we should bend every effort to solve our problems. But let us not over-emphasize those problems which agitate us. Of course, we have inflation, but we will not solve these problems by exaggerating them. I believe those who occupy positions of public trust have an obligation to speak with care. The fact is that Canada is having more success and Canadians generally are suffering less from the effects of inflations than any other industrialized nation.

When I consider some of the questions put during the oral question period and some which are placed on the order paper, I do not wonder why our people sometimes have such little respect for politicians. I do not believe we can expect the public to have respect for us unless we show by our actions and our words that we respect the position to which they have elected us.

Mr. Speaker, I am proud to be here; I am proud to be a Canadian, and I think we should proclaim some of our assets which are continually persuading so many people from many other countries to come here to seek their destinies. By all means, let us take our problems seriously, but let us not become so myopic that we trample ourselves to death getting away from the fire.

**Hon. George Hees (Prince Edward-Hastings):** Mr. Speaker, first I should like to congratulate you on your elevation to your high position. Your activities in the House in the preceding six years certainly merited your choice for higher things and I, as one privileged to sit in this House during the first few weeks under your jurisdiction, have nothing but compliments for the way you have handled yourself, for your fairness and for your general conduct as Speaker. The House has benefitted as a result and I congratulate you. I should also like to congratulate the other members of the House who have been appointed your assistants. They are doing their very best. They are doing a good job and I also congratulate them.

One principal reason for the zero growth in real production which took place in this country during the first six months of the year was the \$1.2 billion increase in our trade deficit in finished goods which took place during

[Mr. Dionne (Northumberland-Miramichi).]

that period. As we know, finished goods provide the majority of the taxes which are needed to finance the development of an industrial country, the return on industrial investment and the jobs which are needed to employ those who are continually becoming new members of the work force of a country such as Canada. As we know very well complete production of fully manufactured goods is the most important kind of process we can have. It seems strange that at the same time this government was allowing a \$1.2 billion deficit in our fully manufactured goods to take place, this government was falling all over itself in an attempt to sell our raw materials to other industrial countries which use these primary products to feed their manufacturing processes.

Every time the Minister of Industry, Trade and Commerce (Mr. Gillespie) stands up to answer a question in this House he proudly announces that we have increased our over-all exports. Of course, there are two things which must be taken into consideration when he makes those statements. In the first place, when he says we have increased our exports by 23 per cent this year he seems to forget the fact that inflation connected with those particular exports about which he is speaking has increased not less than 29 per cent and that, according to the figures of the agencies of government, our real exports have decreased this year by 5 per cent. I say that by far the most worrisome matter is the fact that the export of our fully manufactured products has declined very sharply and our imports of fully manufactured products from other countries have increased equally sharply.

As I said before, we have been increasing the export of our raw materials. Specifically during the first six months of the year our exports of crude production increased by \$400 million and our exports of fabricated products, those products which have had one stage of manufacturing, increased by no less than \$200 million. This steadily deteriorating situation shows clearly that we are now engaged in exporting employment instead of bending all our efforts to sell more finished products in the export market and thereby gain so many advantages for this country, such as additional jobs for our people, additional return on the capital invested in industry and additional taxes required to meet our very heavy expenditures in running our country. To sell more of our finished products in the export market, the federal government must introduce practical incentives to increase substantial improvements in the following fields: First, expanded export trade; second, increased productivity; third, more research and development; fourth, more processing of primary products in this country.

First of all, what must we do to greatly expand sales in the export market? Because of the country's great dependence on the United States market where we make 70 per cent of our sales and the steady move of that country toward protectionism, we must develop additional markets because if we do not we will place ourselves more and more in the hands of the American people. As their tendency toward protectionism increases, it is obvious that we will find ourselves in a more and more difficult position so far as making sales in the export market is concerned.