

Canada-U.S. Automotive Agreement

company did not force these employees to move, but allowed them to remain in Canada at Oakville, if they so desired.

I feel very strongly that this automobile agreement has been advantageous to Canada. Unlike the hon. member who just resumed his seat, I feel the government should consider implementation of similar agreements in respect of other industries, provided safeguards are included to protect Canadian industry. I feel that if the program is successful in one area it should be successful in other areas. I am strongly in favour of this agreement because I think it has been of advantage to the Canadian industry and Canada in general.

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, my colleague the hon. member for Wellington South (Mr. Hales) has put on record the views of the members of this party, and it is not my desire to repeat them. However, there are one or two additional points I should like to bring to the minister's attention.

The hon. member for Danforth (Mr. Scott) suggested a few minutes ago that the government has taken what is popularly termed as the continentalists' view, and that it was its ultimate intention to extend this type of agreement to other industries operating in the two countries. In this regard I should like to refer to a speech by the Minister of Northern Affairs and National Resources (Mr. Laing) to the Liberal association, as reported in the *Daily Sentinel-Review* of Woodstock, Ontario, on Saturday, April 30. This article in part states:

Speaking at the annual meeting of the Oxford Liberal association, Mr. Laing said that to achieve this end, Canada would continue to strive for lower tariffs and would trade with any country in the world in all but strategic items.

That is a very interesting statement. The article begins by stating:

Arthur Laing, federal minister of northern affairs and natural resources, yesterday said that the ultimate goal of Liberalism in Canada is free trade.

That may be the government's policy, but I think it is something that should be watched carefully by everyone, particularly by the opposition parties in this house.

I do not think many members of this house oppose this auto parts treaty as such, but as was pointed out by the hon. member for Danforth, the automobile industry in North America is a very unique operation, probably not duplicated anywhere else in the world. For that reason, special considerations and regulations must be applied. It is to be hoped

that this treaty, which has now been in effect for about 15 months, will be given very careful review by the government, and the Minister of Industry (Mr. Drury) in particular, specifically in regard to its effects.

Many individuals have worked out the theoretical aspects of treaties of this kind and have found that in practice they do not always work out. A very good example of what I have in mind occurred yesterday in this house, when the hon. member for Winnipeg North Centre (Mr. Knowles), who has been a member of this house for many years and is an experienced parliamentarian, lamented the fact that the new rules he had helped to contrive for the house had not worked out in the expected way.

• (8:20 p.m.)

I think it is common knowledge that things which a great many of us hope will work out in theory, simply do not do so because there are so many things, particularly in a complex matter such as an automotive treaty, that just cannot be foreseen. Despite the remarks of the Minister of Industry a number of things have not worked out just as was hoped when the treaty was signed down at that ranch in Texas.

There is an industry in my riding to which I wish to refer specifically because I think the things that have occurred in that industry must have occurred in a great many others in the country. I refer to the Ingersoll Machine and Tool Company located in the town of Ingersoll, Ontario. This company is one of the largest, if not the largest, manufacturer of automotive parts in Canada. Since the middle 1930's it has manufactured gear boxes for the Chrysler Corporation, and has done so very efficiently and satisfactorily.

Prior to the treaty being signed, this particular company employed over 200 persons. It is a highly automated plant and a very efficient one. Over 200 highly skilled persons were employed in the manufacture of gear boxes, which is a sophisticated machine tool operation. As of this coming year I understand there will be approximately 20 persons employed in this operation at the plant. As the minister pointed out, while a number of persons have been displaced from their job of manufacturing automotive parts in Canada, because of the general high employment situation in the country they have had no difficulty in obtaining employment elsewhere. I think this is quite true. In the case of the Ingersoll Machine and Tool Company in particular, I understand that the Minister of