

*The Budget—Mr. J. B. Hamilton*

resources we possess, and for the production and fabrication of which we have such enormous resources of industrial energy in the form of hydroelectric power, coal, oil, gas, uranium—all these things. We say that, with the development of these, there is full employment for all here and full employment for millions more in the years immediately ahead . . .

All this calls for action. The Minister of Finance gave a rather schoolmasterly bit of advice to the manufacturers. He told them that they had better pull up their socks and meet the situation.

If I may, at that point in his remarks I should like to interject that the Minister of Finance (Mr. Harris) was probably echoing the words of the hon. member for Spadina (Mr. Croll) when he said that the manufacturers needed a kick in the pants. Yet that is most difficult to understand, when the hon. member for Essex West (Mr. Brown) goes to the trouble of sending us a circular to indicate that the Chrysler Corporation are spending \$50 million to double their facilities in this country. I think it is about time we had some unanimity of opinion between the Liberals to your left, Mr. Speaker, and the Liberals to your right. The Leader of the Opposition then went on to say this:

This demands more than action by the manufacturers. It demands action by everyone. It demands action by this government . . .

I am ending my quotation at the third line of the first column on page 3446 of *Hansard*.

Although we have wide latitude in this debate, I should like to limit my remarks to that particular problem. In the first speech I made in this house I indicated that on occasion, in order to express my views, I might even find it necessary to use such unmentionable terms as free enterprise, tariffs and protection. From my short experience I think I can say that these terms are still politically unmentionable. There is such great reluctance on the part of the government to face up to these terms that I think we can safely say they are fiddling while Rome is burning.

If I may draw an analogy from a Bible story, if the treasury benches are the Ananias in this problem, if they are guilty of a practised avoidance of their responsibility to industry, then all those who sit idly by in their shadow are the Sapphira because they are guilty of the consenting mind. They are not lifting one finger to prevent the crime. For those who represent our great industrial ridings there must come a day of reckoning.

I have said as well that we do not recommend high tariffs, but we ask for an end to the naïve program of binding us under trade agreements to nations which are not playing under the same rules. First, our two biggest customers allow our goods entry or refuse

entry as they see fit, regardless of the GATT agreements. There should not be any surprise on our part when we hear about voluntary reductions in imports of Canadian oil and gas by the United States. This contempt of agreements has been going on for some time and is just as effective a barrier to our trade as a complete embargo on our goods by legislation. If there are surpluses in the United States, we are told to go and peddle our wares elsewhere. If there is a shortage of foreign exchange in Britain, we are told to do the same thing.

I think industry has good reason to expect this government to stand up to situations of this kind. We possess raw materials here of vital importance to all nations. It is time this government sat around the trading table in a realistic manner and stood up to our responsibilities to Canadian industries. There is no reason why a big stick should impress us in trade negotiations. Without our raw materials such as aluminum, nickel, asbestos, uranium, wood pulp, etc., the high standards of living reached in many countries could not have been achieved. Let us bargain from strength, not from weakness, and our deteriorating export situation can be rectified.

In the second place, we are, of course, not playing under the same rules in connection with our imports as well. In the last month I have had drawn to my attention by industries in my own constituency at least two or three problems of vital importance. I think I should warn the government that it is no longer a case of a few industrialists who are complaining about unfair competition, those people who heretofore could be told, "Go away and don't bother us". There is a major awakening on the part of organized labour as well. In each instance with which I have had dealings in connection with these problems, the representatives of labour have come along with representatives of management to see what can be done to work out the problem.

Perhaps I might be permitted to illustrate my point that we are not playing under the same rules in so far as competition is concerned by imports from foreign countries. Our tariff structure may be quite adequate, but new formulas must be devised for its interpretation or that tariff structure will not perform the function for which it was designed. As an illustration, I am informed that there is no particular tariff provision covering the import of thermos bottles, and that they are assessed on the basis of whether steel or glass is their major component. If it is steel, under item 446a we have the three classifications: British preferential, 10 per cent; most favoured nation, 22½ per cent; all others,