

*Establishment of Industry Department*

province today those who claim to be the greatest defenders of that autonomy are the ones who sold it the most shamelessly.

I am getting more and more convinced that the secret of autonomy is for each one to give all his talent, all his energy to the building of his own house, in order to give his own household happiness in security.

We are anxious to know the real functions of that department because we hope it will be the safest defence against outside intrusion, if it leads Canada towards the conquest of its economy through the ownership of its industries.

(Text):

**Mr. Coates:** Mr. Chairman, it is with pleasure I enter into the debate on this very important resolution which will see the establishment of a new department of government. I look forward to the bill that will follow this resolution, and I hope that in it we will find some explanation of what is hoped to be accomplished by establishing a department which already has a counterpart in the government of Canada.

As I come from the constituency of Cumberland, where there is an aircraft industry very important to the economy of the area, I had a great deal to do with the former minister of defence production, the Hon. Raymond O'Hurley, and I would like to say that Mr. O'Hurley was a man who was fully cognizant of the problems of my area and did his very best, in every way possible, to see it got a good share of the defence contracts that were available, so that my constituents would have more employment and a better living standard.

I would recommend the policies followed by Mr. O'Hurley to the minister, as Minister of Defence Production, and also as minister of industry if he should assume that post. In this regard I might say that I feel the defence production aspect of the new department of industry should be of paramount concern to the minister. I cannot quite anticipate why the government is so terribly anxious to set up a department of industry when it already has the Department of Trade and Commerce and I fear that there will be repetition of effort and that confusion will develop from the fact that there will be two departments which in many instances will both be obligated to carry out the same tasks, tasks that are very important to the economy of our area.

I also cannot appreciate the government's concern for industry at a time when industry is booming, and has been booming for a period of more than a year. The white paper tabled in the house Tuesday indicates that our gross national product has passed the \$40 billion mark. This is not an indication

that business is in need of greater guidance from government. Indeed, having looked at the speech from the throne and the government's proposed program may I say that business could very well be hindered materially by the type of legislation we are now having placed before us, with the indication that it is supposed to stimulate the economy to even greater heights. An economy that has had an 8 per cent rise in the gross national product, an economy in which the consumer price index has only gone up by 1.2 per cent is not the type of economy that you want to fool around with a great deal; and if the businessmen of this country are capable of demonstrating that they are able to run their businesses and do their jobs as efficiently as they have in the past two or three years, I do not think we should be putting any more roadblocks in their way in the form of bureaucracy.

I should like to return to the aircraft industry that I have in my constituency, which is encountering difficulties at the present time, difficulties which my constituents were led to believe by the Liberal candidate would evaporate into the air if a Liberal government with all the answers was elected. The Liberal party was able to obtain more seats than any other party in this country. They are in the seat of government today. But my constituents have not seen anything evaporate, unless it be their jobs in the aircraft industry. This is not the type of evaporation that my constituents were led to believe would develop. Yes, Mr. Chairman, there are many problems facing the aircraft industry today, problems on which the Minister of Defence Production should be spending his time rather than endeavouring to usurp the responsibilities of the Minister of Trade and Commerce, who I feel is quite capable of looking after the job he has been given to do.

The defence sharing program developed by the former Conservative government through the then minister of defence production, minister of finance and minister of trade and commerce with our friends in the United States has been very beneficial indeed. To give an indication of just how beneficial one only needs to refer to a recent statement to the press by the present Minister of Defence Production in which he outlined among other things that between 1951 and 1958 Canada had an unfavourable balance of trade in defence production contracts of \$49 million, and from that time to the present we have had a favourable balance of trade of some \$80 million. I would say this is a pretty fair example of just how effective the past government was in getting defence contracts for

[Mr. Gauthier.]