

*Customs Tariff*

sort of thing. This evidences the fact that there is already, shall we say, some rocking of the international trading boats.

With regard to the justification of these Kennedy round changes, Mr. Speaker, hon. members may have some particular comments to make about how the British preferential tariff and the most favoured nation tariff are going to affect industries in one part or another of the country. In some areas hon. members may wonder why there has been a greater front-end loading of the changes than in other sectors. Some members may wonder why certain commodities were or were not included in the changes.

However, Mr. Speaker, it was represented to us by Canada's negotiators that these changes have been made after very difficult negotiations that took place over a span of years on a commodity for commodity basis. Canada could not accept the proposal of the United States for an across the board reduction because Canada and the United States have different industrial and primary resource patterns. I think our negotiators were correct in approaching the negotiations in this way. We must develop our secondary industries. However, some of our primary industries are very important and it may be that in the result there will have to be some very agonizing adjustments made. I hope that these will be less agonizing than is feared and that adjustment loans and other assistance will be made, I do not like to use the word liberally—

**Mr. Jamieson:** It has good uses sometimes.

**Mr. Lambert (Edmonton West):** I would use it with a very small "I"—so that the maximum benefit is extended to Canadian industry as a result of government action. I would hate to think that the measures which are to compensate for these changes are going to be administered, shall I say, in the most difficult, mortgage company sort of way, if I may use that term—and I apologize to the mortgage companies for using it. What I mean is that I hope things will not become extremely difficult and legalistic methods used to deny individuals assistance. It is in the interests of the Canadian government to assist these industries as much as possible rather than assisting them only after the government has presented them with a list of qualifications ten pages long. This approach, to me, Mr. Speaker, is wrong.

• (3:30 p.m.)

A spokesman for the government has said: "Yes, we made these concessions; but our

[Mr. Lambert (Edmonton West).]

trading partners made companion concessions, and these will give Canadian industry a much greater chance to expand its trade". Well, Mr. Speaker, there I pause because I think a reliance on what is expected to be a natural consequence would be dangerously naïve. Why do I say that? I say it simply because so many of our trading partners use non-tariff barriers which were not part of the negotiations under the Kennedy round. Let us all admit that. My goodness, if we consider some of the trading practices of some of our trading partners we may wonder why we call them partners. I will not quote a list of countries that impose quotas or border taxes, that have special financial requirements or that, like our friends to the south, introduce special building codes under their federal housing administration or ask their people to buy American under their "buy American" legislation. In Britain, too, they have restrictions. The central electricity authority can only buy from the provisioners in England and cannot give others specifications. The Japanese have their restrictions; incidentally, we also have quantitative restrictions on trade because the trading practices of some of our trading partners have had a deleterious effect on our production. It is for these reasons that I say that too great a reliance on increasing our proportion of exports as a result of the Kennedy round negotiations is naïve.

Our exporters will have to sharpen their pencils and become more aggressive. Our government will have to assist them to become more aggressive, not necessarily by grants, in which I do not believe, but by providing services through our trade commissioners. Yet I say this: I do not care how much you assist production or how much you increase production; unless you sell the goods you produce at a profit the exercise has been completely and utterly useless. As a matter of fact, it will have been a disservice to the nation.

I will not discuss any matters in detail at this time since I prefer to discuss them clause by clause. There is one exception to this. Yesterday afternoon I asked the Minister of Industry, Trade and Commerce, who is the minister responsible, a question about the machinery advisory board since the importation into Canada of machinery at a reduced or entirely waived rate of duty has been transferred to his jurisdiction. If hon. members will consult the transcript of evidence taken at the committee hearing they will see that I questioned this transfer of jurisdiction. This is a question of duty, Mr. Speaker, and