

*Trade*

us? I think it is naive to believe that we can sign an agreement, knowing the policies of various countries to protect specific industries they feel are sensitive, and come away with some assurance that we have accomplished something, if this is what our negotiators are doing. I agree with the minister and his advisers that the most serious barriers are those invisible, implied non-tariff barriers. They cannot be dealt with. If we are going to give away something and make the position of our industry worse in return for somebody's promise to drop his non-tariff barriers, I think we are going to be the laughing stock of the world. I wish I had more confidence in our negotiators, but I do not, based on past experience.

I have had a lot of experience with the Department of Industry, Trade and Commerce. I have had two kinds of experience with the department. One has been good. When I deal with the department on the basis of a fire brigade on an emergency, I have nothing but the highest commendation for the kind of help which has been given to industries in my riding which have been in danger of folding up or which have needed assistance. There are excellent people in the department, and it is unfortunate that they always have to operate in this fire brigade atmosphere. At the last desperate moment they come to an industry's assistance.

However, when it comes to forward-planning or ideas about the future, the performance of the arson squad of the department has been absolutely pathetic. The planning in that department has to be the worst in the government, if there is such a thing as the worst. Perhaps I am being unkind but, frankly, I do not know whether the officials in the department are giving bad advice to the government or whether the officials of the department give the government good advice and it is rejected. In fairness, I suppose we have to hold the government responsible for the things which go wrong.

Minister after minister—and there have been many of them in the Department of Industry, Trade and Commerce—has come before this House and pooh-poohed the whole notion of industrial strategy. I am at least glad to say that as inadequate—and I will come to that—as the minister's suggestion for industrial strategy has been, there is at least some recognition that we need an industrial strategy. What is the sense of going to Tokyo to negotiate concessions when we do not even know what is good for us and when we do not even know the consequences of those negotiations? It is like making love in the dark. I am sure the people who are taking part in the activity are probably aware of what is going on, but nobody else knows what is happening.

**Mr. Nystrom:** With all these bugs around, are you sure of that?

**Mr. Saltsman:** We do not know what is going on. We do not even know which industries should be developed and encouraged. Our industrial strategy, to the extent we can say it exists at all, has simply been for the government to say it has done certain things and agreed to certain things, and that is the strategy. It is strategy by accident. But that is not strategy;

[Mr. Saltsman.]

that is not planning. I think that accounts for the terrible state we are in.

I understand it to be the minister's responsibility to put the best face forward on Canada's trade position. He gives us a list of statistics about increases in the amounts of exports in every single area, but he very carefully omits mentioning imports because that would destroy his whole argument. How much we export is not important; the only things about trade which are important are terms of trade. Are we getting any benefit from our trade? To give an indication of the kind of deep thinking which has always gone on in the Department of Industry, Trade and Commerce, I remember one minister who congratulated himself one day and said that we increased our exports by 17 per cent. That was wonderful. But we also increased imports by 18 per cent. That minister could not understand that we had suffered a net loss. It was like a potlatch: we were giving commodities away all over the place, but there was no net benefit.

Why do people bother to trade at all? They trade because they want to get something more or, hopefully, something they want for the things they exchange. They hope for some benefit. We have been trading in a vacuum. We take pride that we are one of the great trading nations of the world, but trade itself is not important; the only things which are important are terms of trade. The United States trade less than 5 per cent of their gross national product. Does that make the United States any less a great nation? We trade infinitely more than that, yet the more we trade, the more we lose in many ways. The minister carefully avoided explaining that kind of equation to this House, because he could not explain it. If he tried, it would be obvious that we are going deeper and deeper into a deficit position, particularly in sensitive employment-creating industries. We have one of the worst records in the world. We have the pattern of an underdeveloped country rather than that of an industrially developed country.

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The excuses put by ministers before this House for the absence of an industrial strategy have been of a number of kinds. They always laugh at it, saying it cannot be done and that we do not need it. If pushed hard enough by the opposition, they occasionally talk about sectorial strategies and about a study of the textile industry or the furniture industry, without understanding the role of either in the economy. They go on and on like that, but occasionally someone is honest and straightforward enough to admit that it is politically difficult.

I can understand that argument. The moment you start to plan and design, you create difficulties. The easiest thing is to do nothing. That is what this government has done—it has taken the easy way out and done nothing. It has said that Canadians are spoiled rotten. It is this government that is spoiled rotten, Mr. Speaker. It has done nothing in this area, and then expresses surprise that the economy is in the shape it is.

From what we have heard, it seems to me that in some ways the government is moving in the direction of freer internation-