

New Zealand Trade Agreement Act

everyone there is not on exactly the same wavelength as each individual member desires. This is not the way the Commonwealth is structured; it is not the way it is functioning. To even talk about Canada leaving the Commonwealth strikes me as a painful and regrettable example of anticipatory petulance which I think does no good to Canada and no good to the Prime Minister.

There are features in this bill which no doubt the learned economists of my party will want to discuss in greater detail. There are a couple of basic aspects which concern me. I notice that we are following the original treaty and using the British preference. I wonder what will happen to this treaty when the U.K. becomes a full-fledged member of the European Economic Community. What will the British preference in this legislation mean, and will we not in fact have to say about this reasonably ancient treaty—if I may call something reasonably ancient—that it has outlived its usefulness and that we are back to square one so far as trading relations with New Zealand are concerned? Therefore, this is not just a simple piece of legislation: the whole question will have to be reconsidered very carefully.

The thing that has always pained me about the present government is that they seem almost to have been taken by surprise by the fact that the British have seriously contemplated and are in fact on the way into the European Economic Community. Another thing that strikes me as important—it will have to be carefully discussed and I am sorry that no one who has been piloting this measure in either place has mentioned it—is the question of agricultural products today. It was butter in the 1920s and the 1930s, and it is another agricultural commodity—I am not an expert in agriculture—which we should be considering very carefully in the context of the present state of Canadian agriculture. The reference is to the anti-dumping techniques. They strike me as being reasonable and sound. I am not quite prepared to go along with the hon. member for York East (Mr. Otto) in reference to GATT, but neither do I worship at that particular temple every day of the week.

Having said these general things and noting carefully what my colleague in front of me, the hon. member for Edmonton West (Mr. Lambert), said about the Trade and Commerce people rather than the External Affairs people, I am inhibited and overly modest about getting into these important matters. I know that probably he will be getting into them with his usual perceptive and comprehensive manner and will deal with them in greater detail.

I have a feeling that this agreement, because of events in Europe with reference to the United Kingdom, will not last anything like 38 years. It will be shortlived, and therefore we must bear this carefully in mind. I think we should approach the matter as one of economics. Of course it is a trade measure. I think the fact that the Commonwealth is involved makes it a little more than just another treaty. I am glad to have had the opportunity to make these few remarks. Having made these observations, I have no disposition to prolong the discussion.

[Mr. Macquarrie.]

Mr. Max Saltsman (Waterloo): Mr. Speaker, I think it is natural for a Canadian to welcome any enlargement of contacts with a beautiful country such as New Zealand. New Zealand in some ways is very much like Canada. Anyone who has visited that country, as I had the privilege of doing along with the hon. member for Edmonton West (Mr. Lambert) during the Commonwealth conference in 1965, comes away impressed with the similarity of that country to Canada. In many ways New Zealand stands in relationship to its giant neighbour, Australia, with seven times its population, as does Canada in relation to the United States and the same kind of feeling exists, the same kind of hesitancy about the future.

The New Zealand economy is structured almost entirely on agricultural export. The latest figure I can recall is that 95 per cent of New Zealand's exports are agricultural. This results from the geography and the population of the country. Therefore, when we enter into an agreement with a country like New Zealand, as welcome as that agreement is and as welcome as contacts with New Zealand are, we must realize that it poses a very serious threat to Canadian agriculture at a time when it is already in very great difficulties.

Unfortunately, the remarks of the Parliamentary Secretary were not very enlightening in the sense of telling us what will happen as a result of this agreement, what are the prospects for Canadian agriculture and in what difficulties Canadian agriculture will find itself as a result of the agreement. Nor were we told what provisions the government is making to correct any dislocation of Canadian agriculture that might result from this gesture of accommodation toward a country which we like.

As I have said earlier, our farmers are in increasing difficulty. New Zealand is also facing increasing difficulties in terms of her agricultural exports. Most of New Zealand's agricultural exports have traditionally gone to the United Kingdom; it is the single biggest market for New Zealand. We understand that the U.K. is trying to set special terms of entry to permit its trading relationship with New Zealand to continue. Unless she can get this kind of an agreement as a condition of entry into the Common Market, a large proportion of the produce which is now going to the U.K. will be thrown into other world markets, particularly the markets of countries with which New Zealand has a trading agreement. I say this to highlight the danger that exists in signing agreements with friendly countries with whom we wish to maintain trade without making adequate provision for the effect they will have on Canadian production and our farming industry.

The relationship between Canada and New Zealand, although it goes back a considerable span of time, has not been very friendly or very compatible in recent years. I do not think there has been any open hostility, but there has certainly been a considerable degree of coolness in the relationship between our country and New Zealand. New Zealand was one of the few countries that did not exhibit at Expo. This was a great disappointment to Canada. We have had difficulties with New Zealand in terms of reaching agreement for our international air lines to land in that country.