

*Adjournment Debate*

I think all of us will concede that it is not easy to negotiate with the Japanese manufacturers. They are very shrewd businessmen. They are very hard nosed and they are going to get as much as they can for their country. We understand that, we respect it, but we do not have to accept the failure of these ministers, and then to have that failure compounded by heaping abuse on the workers on the Pacific coast. Why should the workers out there suffer because of the bungling of the Minister of State for International Trade (Mr. Lumley) and the Minister of Industry, Trade and Commerce (Mr. Gray) and then make the Minister of National Revenue (Mr. Rompkey) the lackey to cover up their failures? That is the problem.

● (2220)

Today I asked the Minister of Industry, Trade and Commerce about the fact that bludgeoning tactics are being used on the west coast for a self-serving purpose of his ministry. The minister said he intends to preserve and maintain the jobs of several hundred thousand Canadians in all parts of this country whose lives are linked with the production, distribution and sale of automobiles and parts. Putting that into language all of us can understand, the minister is willing to sacrifice several hundred jobs in British Columbia to save several thousand jobs in Windsor. In terms of mathematics, I can understand that. In terms of morality, it makes no sense at all.

The problem lies deeper than that. There is an inability and an unwillingness on the part of this government to look at the sickness which exists in the car industry in Canada today. The problem is not that the Japanese are making good automobiles. The problem is that the Canadian industry is making automobiles Canadians would like to buy but cannot afford to buy. It is not a matter of price tags; it is a matter of value.

The same edition of the newspaper which reported problems on Annacis Island also reported that Chrysler and Ford have recalled 127,000 cars. Incidentally, that number is about two thirds the total number of Japanese automobiles imported into Canada annually. In one fell swoop the Canadian car industry has to recall 127,000 cars. The Canadian car buyer cannot afford that kind of value! If the Canadian car was one which Canadians wanted to buy because of value, there would be no international problem.

For the benefit of the minister I want to read just two short paragraphs from an editorial in yesterday's *Vancouver Province* entitled "An obnoxious campaign".

Barry Melchin, whose trucks move imported cars landed in the Lower Mainland to dealers throughout B.C. and Alberta, summed it up: "I don't see why my drivers should have to sit around and my cash flow dry up because they can't build decent cars in Ontario."

The editorial is summarized at the end, where it says:

Smarter people would be devoting their energies to making sure that North American cars are better-designed, better-built and more competitively priced.

That is the problem, and instead of looking at the problem, the minister wants to chastise workers in British Columbia. I know the Canadian car market is in trouble, and I suggest to the minister that we take an honest, unjaundiced look at the

problem and not resort to a cure which is worse than the disease.

The minister keeps saying it is time to impose quotas. Surely elementary economics would tell him that as soon you institute quotas, you drive up the price of cars, and low-income families in Canada particularly could ill afford to purchase them. It would be better to increase Canadian content in those Japanese cars and make the Japanese auto manufacturers use Canadian parts so that the Canadian parts industry in Ontario would prosper, and therefore the automobile industry in Canada as a whole would prosper because it could compete with Japanese imports, which are now inundating the Canadian market.

**Mr. Deputy Speaker:** Order. I am sorry to interrupt the hon. member, but the time allotted to him has expired.

**Mr. Friesen:** I need more time, Sir.

**Hon. Ed Lumley (Minister of State (International Trade)):** Mr. Speaker, I appreciate this opportunity to participate—even if it is only for three minutes—and to respond to the questions of the hon. member for Surrey-White Rock-North Delta (Mr. Friesen).

Unfortunately, because of other matters, I was not able to get to the House on time today to answer the hon. member's questions in question period. However, it is obvious that the hon. member has not been listening to his colleagues in the Conservative Party for the last three or four months. The hon. member for Ontario (Mr. Fennell) and the hon. member for Halton (Mr. Jelinek) in particular have been screaming day after day, week after week and month after month for the government to take tough action to restrict the imports of automobiles from Japan.

If I remember correctly what the hon. member said a few minutes ago, he said it would be ridiculous to impose quotas at this time. He should tell that to his Conservative colleagues who have been saying for the last three or four months that we should impose quotas of 15 per cent on the import of automobiles into the Canadian market and 8 per cent on the import of trucks.

● (2225)

The hon. member knows that I went to Japan in March and met my counterpart, the minister of industry and trade for Japan. I put before him specific proposals to voluntarily restrict the sale of automobiles to Canada during the next 12 months, to place a ceiling on the sale of commercial vehicles, and to agree to a commitment to negotiate content in some form or other in a long-term arrangement between the two countries. He rejected all three requests.

We are not asking for something that the Japanese did not give to somebody else. In 1980 the Japanese government agreed to give the U.S. industry a one-year period of restraint at a level resulting in a 7.7 decrease from 1980 sales. At the