

*Customs Tariff*

which are difficult to settle because employers refuse salary increases to their employees, precisely because of the excessive cost of production, or the lower production cost of goods coming from other countries, including Japan.

The same problem prevails in the field of rubber, Mr. Speaker. We can buy boots made in Japan for about half the price we pay for boots made in Canada, and our industry suffers by comparison.

The situation is just about the same in all sectors, including the automobile industry. Small European cars, for example, are stiff competition for our Canadian industry. In the final analysis, it is the Canadian people who pay for the price increases at home which are due to higher salaries, production costs and profits. All these factors make up the cost price of goods.

Obviously, Mr. Speaker, with a population of 20 million people, Canada cannot produce goods as cheaply as countries whose population is 80, 90 or even 200 million people, such as the United States, for example. Our cost of production is higher.

We cannot produce more and, therefore, the government must protect Canadian industry first of all. In doing so, I think—I do not only think, I am sure—we protect Canadian workers and the Canadian people. In fact, in many areas of our production, we must, when we want to export on the world market, agree to considerable reductions in prices and even sell at a loss. It is not very profitable for Canada but we must, in any event, dispose of that surplus of goods.

But here again, Mr. Speaker, there is a point to which I would like to draw the attention of the house: the best outlet for the Canadian goods we must export, or we must sell at any cost, is still the Canadian market, the market made up of the consumers in Canada. And it is incumbent on us, parliamentarians, to meet the needs of those Canadian consumers. That is a steady market, a market which is always within reach, and we neglect it to turn to world markets. We must, of course, think about imports, exports, and at least balance our trade with other countries.

We must import from other countries what we do not produce in Canada; just as we must export goods that other countries which may not have as plentifully as we do. That applies, for instance, to lumber, Ungava iron ore, oil, these resources we have here and we must export. But we must, first of all, meet

the demand on our domestic market, the Canadian market.

Mr. Speaker, with regard to the Act to amend the Customs Tariffs, on reading the table, I feel that experts were needed to figure out the Customs Tariff, because there are over 120 or 125 pages of amendments of all kinds. Most of the time we see references to the British preferential tariffs of 10 per cent, or 15 per cent; to the most favoured nation tariff of between 15 and 20 per cent; and to the general tariff which applies to the other countries, which do not benefit by the most favoured nation tariff or the British preferential tariff, of 20, 25 30 and 35 per cent. Those who compiled those figures really got their brains working to give Canada a chance to make some profits through the application of the Customs Tariffs but that does not solve the problem of our market, our Canadian production, and above all that of the distribution of our goods.

Even though we do have to export some goods and import others, one fact remains, as I said a while ago: we definitely cannot compete with countries that have a population of 90 or 200 million people. For example, when we compare the United States and Canada, we realize that a worker over there produces five times as much as a Canadian worker. Why? Because they have almost unlimited means of production. Here, in Canada, we only have a population of 20 million people, and even if we wanted to pretend that it is 50 million, it is not true. Nor will it be tomorrow either. It could be true 25 or 50 years from now, but it cannot be at the present time.

Therefore, I believe the government should introduce not only Bill No. C-131 but another one, making it possible for us to satisfy consumer needs, domestic market needs, to prevent—I shall not say dishonest competition—but rather unpleasant competition against our Canadian producers and industries. It is unreasonable to deprive our workers of work in this country, just because we find it cheaper to buy from Japan.

We all know from experience that the United States have established industries in Japan. The Westinghouse company, for instance, and other industries established over there are owned by Americans. Industries were established in Japan because production is cheaper over there than in the United States. The transportation of those products from Japan to the United States even costs less than producing them directly in the United States. So, production