

Canada-U.S. Automotive Agreement

course of a debate on the international sanitary convention, the same right hon. gentleman had this to say:

I submit that the day has passed when any government or executive should feel that they should take it upon themselves without the approval of parliament, to commit a country to obligations involving any considerable financial outlays or active undertakings. In all cases where obligations of such a character are being assumed internationally, parliament itself should be assured of having the full right of approving what is done before binding commitments are made. I would not confine parliamentary approval only to those matters which involve military sanctions and the like. I feel that parliamentary approval should apply where there are involved matters of large expenditure or political considerations of a far reaching character.

This treaty certainly falls into that category. That was the thinking of the former leader of the party across the way, but apparently that is not the thinking of today. This treaty was signed, sealed and delivered without the elected members of parliament having an opportunity to voice their opinion one way or another.

What about the commonwealth? Since we are the senior member of the commonwealth, I believe that we should have had at least some respect or some thought about what effect this far reaching treaty would have on the commonwealth. As you know, cars are imported into Canada from the commonwealth free of duty. However the minute this treaty came into force American cars were allowed to come into Canada duty free. The English cars immediately had to meet this stiff competition, which was anything but fair.

What about GATT? We are supposed to be members of GATT, think highly of it and respect it. As all hon. members know, under the terms of GATT any member or nation which gives special privileges to any other member must give the same opportunity to all other members. I do not know whether this has been done or not. I do not think it has.

Mr. Drury: It has.

Mr. Hales: I sincerely hope it has. The minister has never told us whether it has or not. This treaty has been in force for 15 months. There are so many things we do not know about it. We have asked for debates and so on, but we have never had an opportunity to discuss this matter.

The second objection we would like to register in this regard is the delay in bringing

[Mr. Hales.]

the matter before the house. As I have just stated, it is 15 months since the treaty was signed and we have had no chance whatsoever of debating it. A supply motion was used back in 1965 and this was the subject which was debated. We had a very limited opportunity to discuss the matter at that time. We have asked numerous questions from time to time, which is about the only opportunity we have had to learn more about this very complex and far reaching subject. As I have said, this is a subject of great complexity and certainly every opportunity should have been given to allow the members to look into the whole question.

Those are the objections I wished to raise under that heading. The next heading was, what were we told that this Canadian-United States car treaty would do for Canada? I believe I am quite reasonable and fair when I list these four points which the minister told the house would be the important and beneficial results from the treaty. First, he said it would increase employment substantially and, second, that it would correct the rising trend of imbalance of payments in the automotive industry. Then third, it was understood that it would enable the Canadian automotive parts manufacturing industry to achieve a lower level of costs which would be competitive with United States parts manufacturers producing similar parts. Fourth, it would help to equalize the Canadian factory costs and selling prices in the automotive industry with costs and prices in the United States. In other words, Canadians would be able to purchase cars at the same prices as are paid for American cars. These were his selling points for this treaty.

Now let us take a look at these points one by one. The first was to increase employment substantially. I know the minister, in his introductory remarks, said that 10,000 more people are employed in the industry today. However, I would suggest to him that he forgot to subtract from that figure those people who have been put out of work in the industry. I am thinking of car parts manufacturers who have found it necessary to close their plants, and in other cases to reduce their staff. I do not propose to dwell on this subject. I know one hon. member in our party has had a car parts manufacturing firm close in his riding, throwing hundreds of people out of work. In my own riding I have had a manufacturer of car electrical harnesses who has had to lay off approximately 30 people because he can no longer compete