

Mr. Horner: It has an effect on inflation, but not nearly equal to the benefits gained.

Mr. Stevens: Four per cent is a pretty telling figure.

Mr. Horner: That is your figure, not mine.

Mr. Stevens: It is Dr. Hood's figure.

Mr. Horner: But not mine.

An hon. Member: What about farm machinery?

Mr. Horner: The hon. member is worried about farm machinery. If you manufacture farm machinery in Canada, it should not affect you too much. In any case, I would like to see the Canadian economy take advantage of the 90-cent dollar to push our exports into foreign markets. If we are careful and do not allow excessive prices and excessive wage increases to swallow up the advantage we have gained, we should be able to make substantial gains in markets of the EEC, the United States and even in Japan if we are successful in overcoming their trade barriers.

Certainly, it is my belief that the multilateral trade negotiations which are in progress now will succeed. If they do not, the tendency toward protectionism in this country, in the United States and in the European Common Market, will affect world economy detrimentally because if the multilateral trade negotiations fail and protectionism wins, one country will move ruthlessly against another, costs will soar, the economic balance of countries will be disrupted and everyone will suffer as a result. I do not want to see that happen. It is my belief that we as a nation should work toward greater liberalization of trade. If you study any figures with respect to trade, you will find that as world trade increases, the economy of our country improves.

In my recent travels to the industrial community of Germany, and in my talks with the chairman of the chamber of commerce in Germany and people in Geneva and Brussels, I found that they all assured me that without doubt the future of Canada looks brighter than that of any other nation in the industrial world because we have the ability to become self-sufficient in energy, we have high technology available to us, and we have a highly educated and capable work force.

An hon. Member: And a lousy government.

Mr. Horner: We also see the government cutting down on its growth, with growth in the civil service this year of less than 1 per cent.

The Acting Speaker (Mr. Turner): I regret to interrupt the hon. minister, but the time allotted to him has expired. He may continue with unanimous consent?

Some hon. Members: Agreed.

Trade

Some hon. Members: No.

● (1642)

Mr. Max Saltzman (Waterloo-Cambridge): Mr. Speaker, in listening to this debate, my Francophone friends remind me of a phrase which goes like this, "plus ça change, plus c'est pareil". Translated into English, that means "same old gang". I am glad that this portion of the proceedings of the House of Commons has only limited exposure on television, because I fear for the nation trying to understand these kinds of peregrinations, as a former prime minister used to describe them. At one time, the government which friends on my right used to represent devaluated the Canadian dollar and defended that in growing terms. Members on the other side denounced that as the worst thing which ever happened to the Canadian economy. Now the roles are reversed and we are getting the same conversation but from different people.

I have had the pleasure of listening to the minister in many previous incarnations, and I must say that I enjoyed his speeches more when he wrote them himself rather than having them written for him.

Mr. Horner: I assure you that no one wrote this one for me.

Mr. Hnatyshyn: I can believe that.

Mr. Saltzman: I detected a somewhat different style and tone from the intervention which took place today. I also suspect that I have heard this speech before. In the Department of Industry, Trade and Commerce there is a standard speech which comes off the shelf, depending upon which minister comes in. It is dusted off, changed a little bit and then paraded before the House as a new policy. Because I am going to be so negative in this speech, I think I should say at least something positive. The positive thing I want to say about the minister's intervention today is at least we have some inkling of the thinking which went on at the trade conference in Tokyo. However, I would be far more confident about the state of negotiations and the outcome of the negotiations if we laid our negotiators on the table rather than papers.

There is something incredibly naive in the position which is being advanced. Tariffs are something we can deal with. Tariffs are something we can argue about if they are transgressed or if they are not honoured, but when it comes to things like non-tariff restraints, how can we really police them? What good is an agreement which is signed respecting something like that? There are many ways by which these things are contravened. For instance, we know that in a number of countries in the world with which we trade and which have non-tariff barriers which are direct government policy nobody, either at the government level or at the business level, will admit that they are practising these things. Somebody has to admit that. Bids are simply lost; something happens which is wrong. The thing is laid out in such a way that we cannot get to anyone in order to talk or to decide.

How can people be taken to court on something like this? How can we make a case if these things are working against