

Private Bills

out that the federal government does try in certain ways to give a Canadian preference but I know of no province which does this. The provinces tend to think of 10 Canadas rather than one and I know of instances where foreign goods have been purchased instead of Canadian goods when the price difference was as little as 2 per cent or 3 per cent.

The provinces pay lip service to the purchase of Canadian goods by saying that Canadian goods shall be purchased, all other things being equal. This is no preference at all. The only preference which has any validity is a price preference.

We cannot have regional prosperity in Canada if we do not have national prosperity. This house can give leadership to all governments in Canada, provincial and municipal, by adopting the principle of this bill.

No discussion of this bill would be complete if we ignored the possibility that it might jeopardize our trading relations with other countries. Prosperity in British Columbia is dependent upon a healthy export trade as is indeed prosperity in most of western Canada. We want a continuing export trade pattern. We know that trade is not a one-way street. If we wish to sell we must also be prepared to buy. We are extremely proud of the fact that since this government took office each year has seen an increase in our export trade and also a healthy diversification in our trade pattern with record sales to the United Kingdom and commonwealth markets, and to Europe as well.

In spite of these substantial increases the United States still remains our most important market. The United States could not take exception to the provisions embodied in this bill because their own laws extend a preference in United States government purchasing two or three times greater than that set out in this bill. In fact, all western industrial nations through either formal laws of their parliament or by government directives give a preference to their own citizens in government purchasing. As long as the preference we extend is reasonable and does not become all exclusive because it is set at too high a figure, I am convinced we will not be subject to criticism by other countries. In fact, under the present system, importers have a legitimate criticism of the government in regard to contracts valued at over \$15,000 which are reviewed by treasury board, because they do not know where they stand. They do not know what preference will be given to their Canadian competitor.

Treasury board has a leeway. Treasury board has a range in which it can make a

[Mr. Broome.]

decision. If a foreign competitor happens to be as much as 11 or 12 per cent lower than the Canadian bid the Canadian firm may still be chosen by treasury board, particularly if this contact would give aid to a depressed area suffering from chronic unemployment.

At this stage of the bill we are concerned only with its principle and not its details. Nevertheless I should like to touch upon some of the clauses of the bill in a general way. I have already received a letter from the Canadian Council of Professional Engineers who are also speaking for the Royal Architectural Institute of Canada pointing out that the proper method of retaining a consultant in either of these fields is by negotiation and not by tender. At some later stage, therefore, this bill will have to be amended and a new clause written to cover professional services and to delete reference to this service in the general clause dealing with service contracts which would still be allotted on a tender basis.

This is a highly complex bill and there may be other clauses which will require either slight or major modifications as well. I would suggest that if this bill is given second reading today it should not be proceeded with further but should be sent to the standing committee on banking and commerce where interested organizations and individuals can be heard. This committee could act as a sounding board for Canadian opinion on this subject and the evidence secured would be of tremendous advantage in helping the government draft its own legislation on this subject.

A private member does not have the resources for research which are available to the government and it is therefore not too difficult to point out flaws in legislation proposed by private members, yet many of the ideas behind these bills are worthy of further consideration.

For instance, I have had on the order paper for the last two sessions a bill dealing with the publication of financial statements of wholly-owned Canadian subsidiaries. In the throne speech this year the government indicated that it would bring in its own legislation on this subject. Undoubtedly some department of government is now attempting to draft legislation in line with announced government policy. I am quite sure that if my bill on this subject had been referred to a committee of the house for study the evidence given before that committee would be of great assistance and guidance now in the drafting of government legislation on this matter.