

Customs Tariff

are concerned, and more specifically, whether the government intends to work toward some type of industrial strategy within Canada to ensure that industry at all levels becomes more competitive than it is at the present time. I am disappointed not to have found more information in the budget with respect to this subject.

● (1630)

I believe it would also be helpful if the minister would give us some direction. Perhaps he could indicate whether the study concerning the role of the multinationals in Canada is under way, and whether there are advantages or disadvantages respecting the activities of these corporations. For example, dealing with the Customs tariff, have we any evidence that the multinational companies around the world in some way or other are coming within our protective boundaries in a way that is unfair to Canadian manufacturers or producers?

Again I point out to hon. members that Customs revenue, which the minister has indicated in his budget has gone up, is one of the sources of revenue that has increased quite dramatically—something like \$120 million over the forecast in his November budget. I am rather disappointed that the parliamentary secretary to the minister did not take the opportunity of giving us some details of this Customs revenue, about why the government forecast fell short and some breakdown as to what items are included in the \$1.9 billion customs revenue that goes into the federal treasury.

On November 18 the minister brought in a bill touching on Customs measures that affected many commodities in Canada. Most members, as I have, have had correspondence with various Canadians who have suffered some hardship as a result of the Customs reductions that were made at that time. I hope that during committee of the whole proceedings the minister will respond to questions concerning studies carried out by the department on the effect of some of the Customs reductions that were made in the November budget with which this House has already dealt.

Having said that, Mr. Speaker, we do not intend to prolong debate on Bill C-67. As I said at the beginning, we believe that the proper place to deal with most of the rather technical points in this bill is in committee of the whole, and I suggest we expedite the bill and deal with it more fully there.

Mr. Max Saltzman (Waterloo-Cambridge): Mr. Speaker, I should like to take some time to deal with Bill C-67 at this stage because I am able to make a somewhat more general statement about the bill than is possible during committee of the whole, where I do not think there is really very much to say. The items themselves are not all that controversial or important in terms of the over-all economic effects that they will have on the country. However, what is important is the absence of a statement from the government regarding its position on trade generally, and particularly on the recommendations recently put forward by the Economic Council of Canada report in which there is the strong implication that Canada should be moving toward free trade.

[Mr. Stevens.]

From what I can see, the report of the Economic Council is a pack of nonsense and I am very disappointed at what the council has done. I am disappointed in the whole trend that is being evidenced by the reports of the Economic Council. At one time we looked forward to their reports because they were great statements on the human condition in Canada. I can remember the report on poverty, the report on education, and others: they were very much concerned not only about econometric models but also about the effect economics have upon the life of the people of this country.

In recent years they have become so technocratic that it is almost impossible for the ordinary layman with an interest in economics to make much sense out of what the council is doing. It is almost as though the council has deliberately designed a jargon to confuse, or to be understandable only by an inside group with little computers in their back pockets which they can pull out at will and decipher what the Economic Council report is saying. I think this is becoming a trend.

I presume that one of the purposes in setting up the Economic Council was to provide an independent source of information to people interested in a subject that extends beyond a few specialists, so they could think about the future direction of economics in this country. While most people would agree that free trade is a great principle, and while very few probably would argue against the idea of free trade in principle, what needs to be remembered is that free trade is valid and effective only when it takes place among equals. I can understand the principle of free trade in the European Common Market because there you have nations that are roughly equal in size. While they differ in language and culture, in some ways they are roughly equal in terms of their economic development and their various other capacities. In those circumstances it is quite feasible to contemplate a common market.

However, when we talk about free trade in Canada, both realistically and historically we are not talking about Canada's joining the common market, though I think that many Canadians would very much favour that. I would favour Canada's joining the common market. But I do not think it is a question of what we in Canada want to do in the common market; the question is whether the common market really sees us as part of what they are trying to accomplish in Europe. So whenever a discussion on free trade arises in North America, let us not kid ourselves that we are talking about free trade with Japan, with the Pacific rim countries or with the European countries. Essentially, to us free trade means continentalism. It is free trade with the United States and a merging of our economy with the United States economy.

In my view, the people who have researched this subject with all their figures and model studies really do not know what they are talking about, because they tend only to look at the economics and the mathematics of the question. They fail to take into account, as the Economic Council has been failing to take into account over the last couple of years, that there is something called politics, something called culture, and that the market does not work in the rather simple fashion that Adam Smith portrayed a couple of hundred years ago. If in fact the market