

Mr. Crouse: That is also when we lost our friendship with Europe.

Mr. Woolliams: As Dean Acheson said on the national network of CTV one night,—no doubt a program which came from the United States—it was not the fact that Canada pulled out 5,000 troops that was so important, but rather the fact that this action triggered other countries into following the same policy, thus eroding the defence of the whole western world. Once the United States has come to the position that Canada has stabbed her in the back, how can we go down to the United States asking favours in reference to increasing our trade in crude petroleum or any other product?

• (3:00 p.m.)

Mr. Crouse: Two-faced!

Mr. Woolliams: The United States has dumped her wheat in all the traditional markets of Canada, while they talk about the world surplus. In the *Globe and Mail* this morning it is pointed out that we own 30 per cent of the surplus, but still their exports increase whilst ours decrease. The same thing applies to grain as it is now applying to petroleum. Let us take another look at some of the things that were said. Here is the threat. On page 25 the minister says:

First, viewed against the scale of United States needs, Canadian gas resources likely to be available for export presently appear relatively small.

He then goes on to say:

Based on resources in the western Canada sedimentary basin, we might have about 1.6 trillion cubic feet available for export in 1990.

Let us stop there. The Borden commission established and the conservation boards of western Canada have agreed—and I am sure the National Energy Board will come to the same conclusion—that we have a surplus of natural gas in Canada to export to the United States at a reasonable price which would increase our trade with that country. We have more than we need in the foreseeable future, whether in the domestic or international market, and we should now be exporting it in increased quantities. But what did the minister say? He said, “We are going to use this commodity as a bargaining agent. We will not give you our natural gas unless you increase the exports from our country into yours of crude petroleum.” What kind of nonsense is this? We are 20 million people, whilst they are 200 million people. We cannot get

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any answers from the ministers. Even those who come in the House might as well remain outside.

Instead of going to the United States and negotiating, saying, “Look, you need our natural gas and we are going to work with you in that regard. We will increase our exports, but at the same time we have to keep the other side of our industry healthy,” the minister uses threats. I am certain any reasonable businessman or trade official of the United States, if he were approached properly, would assist us to increase our exports of crude petroleum. But you do not say, “We will not sell you a commodity we have in surplus unless you take some of the commodities we don’t need.” What kind of diplomacy is this? That is why we are in trouble in the export markets.

The minister can dish it up if he likes, but he knows now and knew long before he became minister that only in trade and only in production that relates to trade can you have full employment and cure inflation. The minister said at page 25 of his speech:

Secondly, Canadian gas will be available to supplement United States supplies only if our petroleum industry as a whole receives the incentives of progressive growth and assured stability—

In other words, he says, “You cannot have our natural gas even though we have a surplus, because you will not take as much crude petroleum as we want you to.” Surely, that kind of diplomacy will not increase our trade. Let us deal with a subject which I raised today in the question period. The minister can say what he likes about the fall-off in profits, the hard dollar. We were on the gold standard, as any economist knows, during the thirties. It has been proven that was a great mistake. The fact that our dollar may be increasing in value is the worst thing that could happen to Canada’s trade position, because it puts our goods in competition in the world market at a higher price, compared with their currency, than normal. That is no remedy for inflation, increasing trade or increasing employment.

Mr. Crouse: It decreases our exports.

Mr. Woolliams: Of course it decreases our exports, because we are not able to compete.

Mr. Deputy Speaker: Order, please. I am sorry to interrupt the hon. member, but his time has expired.

Some hon. Members: Continue.