

Trade Policies

Mr. Pepin: That is a very clever and deep remark. It is a deep analysis.

Mr. Kempling: Now, Mr. Speaker, what has been done throughout the seven years that I have been here, through four ministers from Gillespie to Horner or, maybe more appropriately, from the sublime to the ridiculous? What has really been done? I sat through I do not know how many committee meetings of the Standing Committee on Finance, Trade and Economic Affairs, and speeches in the House, and I have heard such things as that they are studying an industrial strategy. They are going to put in place an industrial strategy. Then I heard they were proceeding with a sectoral approach, whatever the hell that is—

An hon. Member: Order.

Mr. Kempling: Pardon me. Thank you, I accept that. My emotions got the best of me. They said they were taking a sectoral approach, which was just another way of saying, "Don't bother us, fellows; we really don't know what we are doing but we will put those words together and they will be confusing enough to keep everyone off." We have not seen the result of this sectoral approach after seven years. Then we heard one of the members state again today that if we would only convert to the metric system, all our problems would be over, the gates of Europe would be open to us, people would buy our manufactured products. In fact, the Metric Commission itself had a figure at one time of how our sales were going to increase down the road if we only converted to the metric system. But, by gosh, they do not have much proof for that today. Finally, after seven years, we had an admission at one of our meetings that they did not think they could really put an industrial strategy in place which would last more than 30 days. That is what we had to face when we came in.

One thing that I found in the seven years which I can review with any accuracy, is that the former administration did not really talk to the people who create industry. One of the reasons that I became involved in the political process was that there was no clear direction for industry that I could see. When I came to Ottawa in 1967, and up to the middle part of 1972, I found they spoke a language that I could not understand. It was a mixture of philosophy and text book economics, laced with some bureaucratic clichés.

Mr. Pepin: Maybe it was French.

Mr. Kempling: Oh no, I made no such remark, and do not try to say that I said anything about French. I am talking about the style of conversation that was used. It was a confusing bunch of nothing. In fact, the people who I know in industry shook their heads in disbelief on coming back from Ottawa. I belong to all sorts of trade associations. We could come up here and talk to people in IT and C and Revenue, and we would walk away and shake our heads and say, "My gracious, where is this country going to?" I heard some of this gibberish the other day from the NDP. I see the hon. member is there and he raised his eyebrows.

[Mr. Kempling.]

I hear them once in a while and I find that, for example, one of their critics will talk about industry out of one side of his mouth and ask, "What are you doing about industry to create more jobs in industry, and what are you doing to help our industry get going, to help lower our balance of payments, to increase our trade, and so forth?" The other day one of them got up—I do not recall whether it was the hon. member for Winnipeg North Centre, or someone else—and he said that profits in the industrial sector in Canada were up, and what were we going to do about it? Well, for gracious sakes, do you expect companies to operate at a break-even point? Do you expect them to operate at a loss? One of the difficulties we have here is the nonsense statistics, the misleading statistics that are put forward. An hon. member raised the point that profits were up over last year. What were they last year? Maybe they were down last year, for all we know. If you do not give a firm basis for these statistics, you can be part of the distortion yourself. So, we—

Mr. Knowles: Are you having trouble reading your notes?

Mr. Kempling: No, they are in my own handwriting. I wrote my notes in a hurry as I was listening to the remarks that were made here, and perhaps I am having a little trouble reading them.

The reason we have not developed an industrial complex that is equal to the labour force that we have had in this country over the past 16 years, is very simple. Over the past 16 years the previous administration removed the ability of the middle-class wage earner to achieve any level of savings. In other words, they taxed away his ability to create wealth. Years ago we used to be able to go into small towns and find doctors, lawyers, and other professional people, as well as successful businessmen, who would put money forward on a venture-capital basis to get an industry started. I can remember, in the town in which I lived at the time of the depression and coming out of the depression, people digging down into their socks to invest in industries which were developing. You do not find that any more. In fact about the only source you can find for venture capital today is the bank, and what are you paying banks? You are paying them a very high rate of interest. That is something to which we should address ourselves. So the ability of the middle-income wage earners and professional people in the country to create wealth has been eroded to the point that we have very little of that type of venture capital available.

When we came to power after the election on May 22 we found some very difficult things. The Minister of State for Small Businesses and Industry (Mr. Huntington) thought there would be a department there. Do you know what he found? He found an office.

• (1630)

Mr. Wilson: And a nasty piece of goods.

Mr. Kempling: A nasty piece of goods, a couple of secretaries, a PR person, and an executive assistant. That was the