

officials pull out and hand to a new and inexperienced minister so that he can retread it all over again.

I noted a little glimmer of hope in the minister's speech when he began to speak of industrial strategy. I am really sorry that he did not continue. I think he might have made a considerable contribution to this debate today had he expanded his remarks about an industrial strategy.

The minister began to talk about taxation and tariff policies, and said a little bit about co-ordination of taxation policies. Herein lies many of the difficulties we face. I do not know how much co-ordination there is between the Department of Finance and the Department of Industry; between the Minister of State for Science and Technology (Mr. Buchanan) and the Department of Industry, Trade and Commerce; between the Department of Consumer and Corporate Affairs and the Department of Industry, Trade and Commerce, but can you imagine at a time when our industry is producing at about 73 per cent or 80 per cent capacity this government introduces competition legislation?

An hon. Member: It is ridiculous.

Mr. Kempling: Can you imagine that?

An hon. Member: It is very Liberal.

Mr. Kempling: Can you think of a more ridiculous position at this time? It is very Liberal, but it is a very ridiculous position. Any number of people in business have said that this is the last thing we need.

Any industrial strategy that is put forth has to reflect and deal with co-ordination of government departments. We see this sort of thing going on continually. One of my colleagues was speaking yesterday on Bill C-11 and referred to the difficulties one of his constituents is having with the Department of National Revenue. This gentleman manufactures a wood burning heater almost identical to a unit imported from the United States. The one manufactured in Canada is classified differently by National Revenue from the imported unit, consequently its price is 12 per cent higher in Canada by reason of some bureaucratic decision. The Minister of Finance (Mr. Chrétien) did not really answer the question, but suggested to the hon. member that he would have to wait until the next budget before any change could be made to the regulations under which the gentlemen of the Department of National Revenue are working. That is a lot of nonsense. Somebody in the Department of National Revenue made an assessment of this piece of heating equipment which was wrong. We do not require an act of parliament to change a regulation set in place by a bureaucrat, let me assure you of that.

An hon. Member: Just one word from the minister is required, that is all.

Mr. Kempling: All we need is one word from the minister; that is correct, as my colleague suggests.

Trade

If we look broadly at Canadian industry I think we can divide it into five rather distinct groupings. First we have natural resource development and production. The second group would fall under basic manufacturing of resource products, that is, oil, natural gas, raw metals, pulp and logs—into fuels, plastics, textiles, sheet metal, wire, tubes, paper and lumber. The third group would be product manufacturing, such as automobiles, tractors, computers and appliances. You could break that down into probably three subgroups of component manufacturers who manufacture clothing and special assemblies and controls for large component manufacturers. The fourth group would be public utilities, that is, regulated natural monopolies such as hydroelectric commissions. And the fifth group would be services.

It seems to me, having these five groups, it would be relatively simple to look into the tariff structure and taxation policies within these groups and make some adjustments. My colleague has reminded me that I have only five minutes left so I want to get to another thought, but as I said earlier, I wonder what we have beyond GATT and an attempt to get into the EEC with hat in hand.

My colleague, the former leader of our party, the hon. member for Halifax (Mr. Stanfield), suggested in a speech some while ago that perhaps we should be taking a hemispheric approach to our trade. It is my hope that we are not going to hang all our hopes on negotiations at Geneva, because I do not think we will get very far.

In spite of what has been done so far I believe there is a feeling of protectionism around the world. All European countries are concerned about unemployment, just as we are in this country. I think it is only natural to be somewhat protective. I do not think this country or European countries can afford to be expansionary, going into freer trade. Probably some concessions can be made, but I think we must have another bargaining position. I hope members opposite will consider very seriously the proposition put forward by Ambassador Andrews, as well as by the former leader of our party, that we should take a hemispheric approach to trade.

We should look at North America first, Canada and the United States. We should then consider Central and South America. Following that we should perhaps see if we can encompass New Zealand and Australia, and, if they get their problems worked out, perhaps we could encompass South Africa as well. In this way there is a tremendous avenue for trade, and we talk of trade not only in terms of manufactured products but in terms of some of our raw materials as well. If we limit ourselves in future to the one approach to trade for our manufacturing industry we will not be doing a service to the citizens of Canada or, of course, to solving the immediate problem of unemployment here.

We have to look beyond GATT and beyond the European Economic Community. We must ask ourselves what happens if GATT negotiations continue for another year. We must ask ourselves what happens if this feeling of protectionism continues; where do we go from there and what alternatives have we? Are we going to do anything to reduce the tremendous