

Canadian Trade Policy

Mr. Goodale: We'll just see. Your greatest worry is that you can't last for two years; a flash in the pan.

Mr. Martin: I understand the difficulty of the party opposite. I understand its difficulty in coming up with a meaningful opposition motion which can be backed up with substance. They seem to have failed to have put any substance behind the motion. However, there will be more speakers later on in this debate, and perhaps we will hear some yet.

Some of the problems which are facing the economy of Canada are very serious. They are being dealt with by the various ministers in the government, by the Prime Minister, and by those of us on this side of the House who are equally concerned, and I would simply like to say that in my view we are in a far better position to deal with these problems than those who seem to be completely devoid of any positive policy whatsoever with regard to our economic problems.

Some hon. Members: Hear, hear!

Mr. Bill Kempling (Halton-Wentworth): Mr. Speaker, I think the only thing which could be less exciting than speaking in the House of Commons at 20 minutes to six would be to speak here at 20 minutes to ten. The galleries are overflowing, and everyone is all steamed up!

As has been said, this is a very serious debate, and this is a very complex subject. The concern which has been expressed by the hon. member for York-Simcoe (Mr. Stevens) is that in his view, in the view of many people in parliament and in the country, the negotiations on GATT and our general trade policy have just not been open enough. It is all very well to say that the government has received 200 briefs and had 70 oral consultations with people in industry, but after all the House of Commons is a forum. Matters as important as trade and tariffs should be brought into this House and discussed openly.

The Economic Council of Canada has produced a very detailed document on the subject of free trade, but it has not even been referred to a committee of this House. Other hon. members have mentioned the United States trade act of 1974 which was passed in 1975. They made reference to a section in that act dealing with the authority of the President to negotiate a free trade pact with Canada. Surely, Mr. Speaker, those two points alone would be enough to bring this subject into the open and into this House for discussion. I do not think a discussion on trade and tariff rates should be limited to a couple of hundred briefs and 70 oral conversations in a country as large as Canada.

● (1740)

Very few economists and not too many lawyers or accountants make a success as businessmen. To be successful in manufacturing or trade either at home or abroad perhaps the best qualification is a sense of history, and I think this is what we need today. We need to know how our trade developed and how we arrived at this stage in trade negotiations, and the level of unemployment and inflation that we face at the present time.

[Mr. Whiteaway.]

There has been mention of this party's position on the matter of free trade, but we are not the government, Mr. Speaker. We expect the government to come forward with a position on free trade and to bring it out into the open. That does not mean the Prime Minister (Mr. Trudeau) calling bankers a bunch of bitchers, professional people gougers, and saying that he is going to clobber labour. The matter should be brought into the House for debate and reference to committee where witnesses would be heard.

In order to understand our position in industry and trade in this country today, we need to know how industry evolved. One can go back a hundred years and look at it then, but to most people the significant period is the postwar period to the present. As everyone knows, a good industrial complex was built during World War II. Then a lot of people returned from the forces and wartime industries closed down so there was a great push to keep industry going and keep people employed.

We must also look at the matter of taxation. People talk about how industry is foreign controlled, about how we allowed industry to come to Canada, but I am glad we did because it created employment when we needed it. We fell down, however, because we did not have parallel taxation laws with the United States and much of the capital inflow came into Canada because of the differential in taxation legislation between United States and Canada.

The hon. member for Wellington-Grey-Dufferin-Waterloo (Mr. Beatty) referred to a shoe industry in his riding that is closing down, and the Minister of Industry, Trade and Commerce (Mr. Chrétien) referred to the textile industry. We should review these, Mr. Speaker, and that is why it is important to have an open forum debate. These matters should be reviewed in the context of the history of the industries.

As I mentioned, we should examine the legislation which pertains to the depreciation and capitalization of industries. The textile industry and the shoe industry have been going down hill for some time. As a matter of fact some of the largest importers of shoes today are the manufacturers. If they find a line of shoes equivalent to what they are producing but which can be imported more cheaply, in many cases they close down that line and import the shoes. Today 55 per cent or 60 per cent of the shoes used in this country are from offshore. The shoe industry built up to a point where buildings and plant machinery were totally depreciated, and management, perhaps because they wanted to withdraw the investment, sold out. Somebody bought it, capitalized it all over again, and began depreciating it all over again, and the government never made a move to upgrade the industry. They did not decide they were going to have a presence in that particular industry for some time.

We have the skills necessary for that industry, Mr. Speaker. We produce the bulk of the raw materials. We have a good chemical industry which produces the oil and gas to look after the components that go into the commodity. The government should have been looking at this industry with a view to upgrading it and retaining the Canadian presence by giving