

going to be on the beef industry, or on the wheat farmers? As a result of the situation I have described, producers are getting less for their products because they receive fewer U.S. dollars when they export their commodities to the United States.

Let me now deal with the situation in Alberta in Western Canada. I was rather surprised to hear the leader of the New Democratic Party talk of imposing a tax on exported natural gas and petroleum. Although I can see his side of the argument that there is a shortage of energy in the United States, nevertheless the United States still has to purchase its natural gas from Canada, though they may be able to buy crude petroleum elsewhere as they have in the past. Some members of that party oppose any export of natural gas at all; at least, they seem to go that far.

I recall that the same kind of argument was used with respect to the coal industry some years ago. People claimed that if we continued to export coal we would exhaust our coal resources. I would point out that the province of Alberta has one-eighth of the world's supply of coal, even though it has been and still is exporting coal not only to the western part of the United States but also in large quantity to Japan. So these people seem to have a very narrow viewpoint, rather a reactionary one, when they talk in this way of our extractive industries. These exports are the reason we have a good balance of trade with the United States at the present time. After all, Mr. Speaker, we can only use so much of these products in our own domestic market since we have only 20 million people to the United States' 200 million. This is why production per unit costs more in Canada than it does in the United States; their domestic market is so much larger than ours. But my point is that it seems to be a very reactionary answer to this problem to talk of taxing exports of natural gas and petroleum. Indeed, I regard it as no answer at all.

As I said at the beginning, perhaps we will find the answer from some new thought or new idea that should be examined, perhaps with a view to forming some kind of North American common market consisting of the United States, Canada and other countries in this hemisphere. In this way we, too, would have a bloc to meet competition from Europe and Asia who today are competitors of Canada as well as the United States.

As I was saying, major exports from Alberta are petroleum, natural gas and other associated products. These exports to the United States will luckily not be subject to any surcharge. In 1970 Alberta exported \$205 million worth of crude oil. I believe this figure will increase as a result of demand and relaxing of quotas. It also exported \$665 million worth of natural gas to the United States. If we price ourselves out of the market in this field of energy, society will turn to another form of energy. We witnessed this in the last 20 years when we priced ourselves out of the market for hard coal from the foothills of the Rockies in Alberta. It was used by the railroads, not only in Canada but in the United States as well. These conditions are applicable to oil and crude petroleum. If we price ourselves out of the market for

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natural gas or petroleum, the same situation will occur. It may take some time but it will happen.

● (3:50 p.m.)

There was another Lewis in North America, John L., who made a big contribution to putting the coal industry and its employees out of business altogether. It struck me when the NDP leader was dealing with the surcharge on natural gas and petroleum that he is foolish enough to follow some of the recommendations made at that time, which is so totally reactionary. It is amazing that when I listen to the NDP members of Parliament that they seem always to be criticizing United States business interests operating in Canada. I am a Canadian and they have no monopoly on the philosophy that Canadians should control and invest in their own industries. Members of that party never say one word about the influence of that same country on the unions they represent. This is a two-edged sword. There is too much influence by the United States in this country, but there will have to be answers in respect of business as well as the unions of which they speak. If influence is wrong in one field it is wrong in the other field. I might say that many labour unions exist in my riding and have since I came to this place. I have talked to union men and they are concerned about their own unions in this regard, just as businessmen are concerned about investment of Canadian money in our industries. We hear one side of the situation from these NDP members, many of whom have been counsel for the USA unions operating in Canada but we never hear about the other side of the coin. We just hear about little pink items.

In reference to the problem which has risen between Canada and the United States, it is certainly unfortunate something has not been worked out. What has the government been doing? It went to the United States and asked that the surcharge be removed. What happened previous to that? What has been the reaction of this government and its members in respect of the United States? The reaction has not been one of diplomacy in an attempt to work out our problems in a constructive, logical and economic manner. Charles Lynch put it this way on August 17, 1971:

When you cut away the excess verbiage from President Nixon's statement, it sounds remarkably like the sort of things Prime Minister Trudeau and Finance Minister Benson have been saying about Canada for the last two years.

When we go to Washington to plead for special status, what will we be willing to offer the United States in return? We have made it pretty clear that we want to keep free of their apron strings—Mr. Trudeau delivered that message quite forcefully in the Soviet Union, when he talked about how much we worry about our neighbour to the south.

Even when these ministers talk about military things I can never understand them. We have a border of approximately 4,500 miles. I do not think there is a longer border between two countries in the world, and on this one we have no guns or armaments.

Mr. Zink in the *Telegram* of August 18 said this:

Since it took office in 1968, the Trudeau regime missed no opportunity for kicking our neighbour to the south in the shin.