

relation to retail prices on the other side of the border.

Mr. Lambert: Is not that what concerns the public?

Mr. Drury: I agree, Mr. Speaker. What concerns a member of the public is the final price that he pays. This, which I would suggest is the concern of members of parliament, is not relevant to this particular agreement.

Another thing which was briefly examined was the question of continentalism and whether this agreement is leading us into continentalism as distinct from its antithesis which is internationalism. I should point out that in so far as Canada is concerned we are in this agreement dealing with an industry which is almost entirely owned and controlled by parent companies in the United States. The Canadian side of this agreement does offer to any country in the world precisely the same rights of entry and the same advantages that are offered to the United States. Because the control of the largest segment of the automobile industry rests with the United States, it must be remembered that any international agreement, or any agreement having international scope in so far as Canada is concerned, must be oriented in terms that bear in mind the automotive industry of the United States.

By reason of this I would suggest to hon. members that this does not represent the first step toward continentalism. I do not think it is conceivable, nor would it be a practicable exercise for Canada at this stage, to endeavour to buy back, out of the accumulated savings here, the automotive industry in Canada from its present owners in the United States. We have a vast need for additional capital to carry out the expansion that we all look for in this country and that we are trying to bring about. To endeavour to take what savings we are able to generate in this country and devote them to the single, very large and concentrated task of buying back the automotive industry would be in my view a wrong use of our savings. We can use them much more effectively and much more productively. To develop our national identity and our national interest we should employ such savings, I suggest, in new enterprises controlled in Canada rather than concentrating all the effort which would be required even to contemplate the repurchase of the automobile industry, to buy back that industry.

Canada—U.S. Automotive Agreement

I am grateful, Mr. Speaker, as I said at the outset, for the observations and comments which hon. members have provided in relation to the automotive agreement. I am very glad indeed that there has been on the part of all members a recognition that this agreement is in the interests of Canada. I undertake to take note of the observations which have been made in relation to its future operation.

Mr. Nesbitt: Mr. Speaker, I wonder whether the Minister of Industry would allow me to ask a question. I am sorry to have missed the first part of his remarks. If he has dealt with what I am about to ask, I apologize.

One matter that I brought up in my remarks last evening was that at least one of the large automobile manufacturers, and to some degree another of the big three, does not permit independent Canadian automobile parts manufacturers even to tender on job lots of automobile parts. Indeed, independent Canadian manufacturers have been told: "No, we will not even accept your tenders no matter how efficient or how competitive your prices may be since we would rather buy from our own wholly-owned subsidiary plants across the border."

I am sure the minister knows of this. Does he intend to use his good offices to try to rectify this situation? It has been my understanding that the automobile parts manufacturers say: "If we are not competitive, then we are not competitive and that is the end of it. But when we are competitive and are not given an opportunity to tender we feel that there is something the government did not anticipate when the automobile parts agreement was entered into."

Mr. Drury: Mr. Speaker, the government did anticipate this. Consequently the department is prepared to use its good offices to rectify this situation. I suggest that the problem to which the hon. member has made reference should be rectified by the Canadian manufacturer looking, as he has done, for a product which the United States wishes to buy rather than persisting in trying to get the U.S. manufacturer to buy or forcing him to buy something he does not want.

Mr. Nesbitt: That is not the situation I am speaking of.

Mr. Drury: It does not make economic sense for our manufacturers to endeavour to have pressure put on the United States to buy things they do not want.