

they would continue buying wheat from us. We have never broken our word. When I say we, I do not mean this government. A lot of us have kept up the effort of moving Chinese goods around the world and helping those countries that buy Chinese goods get enough money to pay for them so that the Chinese can pay us. Today China's trade has moved up to \$15 or 16 billion per year.

I give the credit for this to the international trading companies. The Japanese trading companies have done a remarkable job, as have the American trading companies, but it is the Canadian international trading companies that are going into China, buying goods there and then distributing them around the world.

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Just a year or a year and a half ago the Prime Minister returned from a trip to South America. I asked him if he had taken the opportunity to meet the heads of state of those South American republics in order to thank them for what they had done to help Canada sell wheat to China. He knew nothing about it. The officials had not bothered to tell him. These six governments on the west side of South America set up Chinese trading offices in each of their countries so that the Chinese could set up selling agencies in those countries, and the \$100 million a year of goods bought from China by these not too rich people of South America is what paid for the Canadian wheat. If was not the Canadians and it was not the Chinese who paid for it. It went three ways. The Chinese took our wheat and sold their goods to the South Americans. The South Americans gave their dollars back to China and we got our dollars.

I am simply putting this on the record, not that any person will report it or repeat it, because some day I know that historians will ask how it was that this country bought such huge quantities of Canadian wheat but did not have the money to pay for it. The answer is right in what I have been saying: it is thanks to the international trading companies and the many small private companies which went out and bought Chinese goods and got them distributed around the world. That is how their trade has been developed. The Chinese people have benefited, the rest of the world has benefited and so have we in Canada. That is the second constructive proposal that I put forward and this is where the government should be putting its efforts.

In addition, I want to mention the national buying and selling companies. People keep asking: "Why, if you are talking about international trading companies, do you say you have to have national buying companies and national selling companies?" These are for specific tasks. Once again I will deal with specifics. One product which the Chinese have to sell is rice. This rice is of just as good quality as anything produced in Louisiana or southern California. I have spent years of my life writing letters to and visiting and pleading almost on bended knee with Canadian company after Canadian company to go to China, buy rice there and distribute it in Canada. The quality was there and the price was right. But I could not find

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one company. Why? They said: "If we want to buy rice, we just put an ad in the trade paper. If any person wants to buy rice, they come to us and advertise, meet the advertisement's requirements and we buy from the best. We will not stir ourselves from our comfortable Canadian office to go across the ocean and look at the Chinese rice". I know very well the Chinese would not come here. They never do.

An hon. Member: It does not get past Saskatoon-Humboldt.

Mr. Hamilton (Qu'Appelle-Moose Mountain): The Chinese are an old culture. They happen to think they are the centre of the world. Everything comes to the centre. They do not go out to the barbarian areas. But I could not find a single Canadian company. I have a beautiful letter written from the federated co-ops of Canada centred in the city of Saskatoon, whose member sits right here. Their last letter to me stated: "If the Chinese want to sell us rice or any of their goods, bring them to Saskatoon and we will bring our buyers in and they will look and buy what they want." They have not even learned that the Chinese, like the Russians and the Americans, think that they are the centre of the world, and you have to go to them. When you are in business you have to do what business dictates. In the case of the Chinese you accept the fact that you are an inferior culture, a junior culture, and you go there and do business in their country. After that they will probably come back.

I put that very bluntly to you, Mr. Speaker, because it is another reason why that rice was not bought. Companies that distribute food in this country in the main are not Canadian-owned. They have holding companies that own them. These holding companies have rice plantations in Louisiana and southern California. The companies in Canada buy their rice from the subsidiary companies of the same holding companies to which they belong. Those are the facts of life. As I said in the opening part of my remarks, Mr. Speaker, those are the bitter experiences I have had.

On the question of selling companies, we have newsprint. Our Canadian companies for years have been in a bit of a drought, in a bit of a depression. Right now they are just getting out of it. A few years ago they had surplus paper. How hard it was to get Canadian newsprint companies to try to develop that market in China. It is so much more comfortable to sell to the papers that have long-term contracts in the United States, right near the centre of the continent. It has been impossible for almost 30 years to get a pulp mill started in the centre of Canada because the markets straight south were taken up by the coastal companies. If we had had one selling company that could have bought the paper right here in Canada from all those companies on the west coast and gone to China as one single company to sell that paper, we would have been selling newsprint to China for the last 15 years. It is true one company is now now selling quite a bit, and I want to say congratulations to them. How would you feel, Mr. Speaker, if you had spent 15 years trying to get something like that done?