

Mr. Churchill: That is all the more reason for an investigation.

Mr. Drury: Why don't you read the agreement?

Mr. Churchill: This is all the more reason for an investigation because, if it is a perpetual agreement, we need to know whether it will benefit Canada or will be to our disadvantage. Why should this rest solely with the executive, a few people elevated to brief authority who make a decision in perpetuity of this nature without parliament giving its approval prior to the signing of the agreement?

I am glad the minister interrupted and corrected me because it shows exactly how serious the matter is. The executive of this country is setting itself above parliament and above the people of the country. It is tying us forever to an agreement with the automotive industry of a powerful neighbour, an agreement which may be to our serious disadvantage. If we are at equality with the automotive industry in the United States let us settle that point by a thorough investigation. But if we will be at a serious disadvantage in the future let us find out now so that steps can be taken to correct the situation. This emphasizes the whole point of the argument with which I started, that the cabinet has gone beyond its powers in making an international agreement without the sanction and authority of the House of Commons. The supremacy of parliament has been completely ignored.

The executive has set itself up as the supreme authority in this country and apparently is prepared to do anything it likes without the authority of parliament. Once it sets this precedent it can move from that point to another. It can break the constitutional procedure of the past and the precedents set in the past. This is what the executive has done. It reminds me of those years in the 1950's when we were battling about the excessive powers of the executive.

The minister was trained in that particular school when the government of that day wanted to ride roughshod over parliament. Now he is doing the same thing without having fully considered the extent of the derogation of parliament that has ensued from his action. I suggest that the supremacy of parliament must be re-established in this country and that the power of the prime minister and the executive must be diminished.

Mr. Addison: Would the hon. member permit a question?

Canada—U.S. Automotive Agreement

Mr. Churchill: Of course.

Mr. Addison: I listened to his speech with great interest and I was unable to ascertain, even though he felt that parliament would reluctantly agree to this agreement, whether or not he was in favour of further agreements of this type. Is he?

Mr. Churchill: That is a hypothetical question. I was simply dealing with the automotive agreement. I brought to hon. members' attention an expression of opinion of one of the senior members of his party, and I suggest that the hon. member talk to the hon. member for Davenport.

Mr. Milton L. Klein (Cartier): Mr. Speaker, I rise only to discuss one statement made yesterday by the hon. member for Danforth (Mr. Scott) when he said, as recorded at page 4763 of *Hansard*:

Of course, the agreement brings out the whole problem of foreign ownership. The real problem, it seems to me, about foreign ownership in Canada does not come out of trying to make political decisions. The real problem that I have encountered in the little travelling I have done in Canada is that the Canadian people themselves do not have the guts to build a Canadian owned economy.

This statement is partially true. One of the real problems facing Canada is that Canada does not have enough people. We cannot expect to be big if we remain numerically small. We cannot expect to compete on the North American continent or share the North American continent when we remain at the ratio of 20 to one population wise.

The strength of the United States lies in the fact that it does not have to export, that its domestic market is big enough to absorb the productive capacity of the nation. We are not in that position. We can produce much more in this country than the citizens of the country are able to consume.

It would seem to me that the only way to deal with the question of foreign ownership is not by creeping nationalization or creeping expropriation but by diluting foreign ownership in this country through creating Canadian investment. If there is an industry where, for example, foreign control is in the ratio of 80 per cent to 20 per cent Canadian, the way to deal with that problem is to introduce in that particular phase of commerce Canadian competition so that over the years we will be able with a greater population to reduce that 80 per cent and the 80 per cent foreign control will by dilution become 20 per cent and the Canadian proportion will rise to 80 per cent.