

*Speech from the Throne*

Europe. In recent times we have seen our trade shift from Europe to the United States. We have seen the very continentalism emerge that Sir John A. Macdonald and the early Fathers of Confederation tried to prevent.

In the late 1950's, the right hon. member for Prince Albert (Mr. Diefenbaker) tried to reverse this trend, to shift trade away from the United States and take it to the United Kingdom. His basic aim was identical to that of the Fathers of Confederation; but times had changed, and trade could not be switched back in that manner. I submit that the settlement and development of western Canada should point out to us that we are actually looking at new options; the options, for instance, of developing the Fraser River Valley at least as thoroughly as we developed the St. Lawrence River Valley. That development would give Canada access to the Pacific rim.

Current projections suggest that Japan will become our second most important trading partner during the next decade. However, Japan is not the only country in the Pacific; China, Malaysia, South America, Australia and New Zealand will present immense trade opportunities. These countries are all potentially very great customers.

This opportunity alone provides ample modern ground for resisting the idea of a North American common market, which has been suggested by one dignitary in this country. I will not say any more about that dignitary. Perhaps too much has been said about him recently in another context by members of this House. However, I think that the concept of a common North American market, as it was suggested to some people in B.C., really means a common fence. And, because we are such a small country relative to the United States, it would be the Americans who would decide who would come in or out of the gate in that fence. They would decide what would come in and go out through that fence. Without being any way anti-American, may I say that there is no way the Canadian mouse can lie down with the American elephant in a North American common market and still keep its options relatively open. We do not want to be prevented from trading with the Pacific area or any area by any power. We must be free to make arrangements with other countries, wherever they may be.

The right hon. member for Prince Albert, when he was prime minister, stressed our right to develop and maintain an independent trading policy with China, Russia and Cuba. Our present Prime Minister (Mr. Trudeau) has travelled personally to Russia, Japan, Australia and Malaysia, and has established formal diplomatic relations with China, although he has not travelled there, and has done all this with a view to expanding Canada's trade options beyond North America. Canada's recent large wheat sale to China is only one indication of the fruits of this approach. I submit it is a fact that the development of western Canada is allowing us to look west across the Pacific and at the Pacific rim. In that context we ought to note the warning contained in the recent report of the Science Council of Canada. Paraphrasing Darwin, the Council said that a country which loses the power to innovate in a changing environment gives control of its future to those who retain that power. Future trade pacts should therefore not only examine our balance of payments, but also strive to develop more balanced employment opportunities for Canadians, opportunities particu-

larly in the fields of industrial research and development, design, marketing and engineering.

One hundred years ago the west provided Canada with the opportunity for development. That was a challenge indeed. Today, the west provides Canada with renewed opportunity for development. I refer to the challenge of meeting and trading with the peoples of the Pacific rim, as I have said. If we are to meet this challenge, all of us must break out of our present mould of Orthodox thinking patterns which have been established for 100 years, just as earlier builders of Canada also broke loose from their traditional views and ways of living in that settled part of the country that first became Canada.

A consensus is emerging in Canada that we should learn to specialize in industry. The problem is to decide where to specialize. If I may get back to the Science Council of Canada, Mr. Speaker, it has been pointed out that Canada's two fundamental strengths are her increasingly skilled population and her wealth of natural resources. The Science Council recommends that any strategy to develop our manufacturing should be built on these two strengths and should specifically stress technologically advanced manufacturing in fields related to our production of resources. I think that this is a strategy which is available to Canada largely as a result of our resource rich west. We must build our strengths, and our strengths are our resources plus our skilled citizens. It is not enough to just create jobs. We must build industries which can survive in the modern world, which can compete in export markets and which can provide the type of productivity and high wages that modern Canadians demand. Our high wage-high productivity industries are largely related to our resources.

• (1620)

It is sometimes hinted that western Canadians are short sighted, that we want only to export our raw resources without developing any manufacturing; that we worship foreign ownership and foreign capital. I submit this view is wrong. Western Canadians are concerned vitally with resource conservation because resources are the basis of our existence. We are equally mindful of the problems of pollution. We are constantly in search of ways to develop manufacturing for our people. However, we are aware that outside ownership and capital, whether from the United States or eastern Canada, does little to help develop our manufacturing when outsiders seek only to export our raw resources. The argument of foreign ownership is completely and utterly beyond any interest to us. We want the terms of ownership defined and to ascertain how much we can get out of that ownership. It really does not matter whether it is American, German, Canadian or anything else. There has to be a means by which we have an opportunity to share in the decision making process.

The Economic Council also said that free trade rather than tariffs is in the interest of all Canadians. Western Canadians, who always had to live with free trade markets, would not have been able to do so if we went ahead and glad-handedly built up inflation the way some people say we should. We would not be able to live at all. We want free trade markets. We say amen to this recommendation of the Economic Council.