

*The Address—Mr. Diefenbaker*

I think that was a little self admission on the part of the government, because that is what afflicts this government today—conflicting political pressures which seriously impair its capacity for executive action. Then the next paragraph goes on to say:

My government is resolved that Canada shall make the fullest contribution it can to the lessening of international tensions—

—and so forth. Then it makes reference to repairing and strengthening the United Nations.

Well now, Mr. Speaker, I should like to hear the story of what happened in the United States on Friday and Saturday. I wish the Prime Minister would tell the house and the country what kind of political one-man brinkmanship it was to bring forth a policy in the United States without having discussed the matter with the authorities in the United States. In the past he has often spoken of the necessity for the quiet diplomacy that is most effective and which has been his hallmark. But what happened? Why did he have to alter his proposal a bit after he had made it? First of all he said the time has come for a pause in bombing. Later an interpretation was given by those high in political circles in Ottawa that the Prime Minister did not mean that the pause was to take place now. He did not say when the pause was to take place, but whenever it was deemed appropriate psychologically that the pause should take place. That is another example of a government that makes statements and then backs down and goes into reverse.

The next item under international affairs is:

You will be asked to approve a resolution concerning the important agreement on the automobile industry recently concluded with the United States.

We want the fullest discussion on that matter. Canada, since the middle of January, has been operating under this agreement. Canadian industry and the small industries are being challenged here in Canada. As the hon. member for Wellington South has said, the small manufacturer in Canada is in danger. He is challenged by this competition from the United States, and when he wants to compete for markets in the United States he is up against the 11 per cent sales tax on production machinery.

● (3:50 p.m.)

We want to get the facts of this situation. This was an agreement that should have been brought before parliament instead of being entered into unilaterally, effective on Canada until such time as the United States passes

[Mr. Diefenbaker.]

legislation. We intend to discuss this matter fully, because in our opinion it is passing strange that Canadian people should suffer as the result of an effective payment of \$50 million a year to the big manufacturers of automobiles, yet no member of this house or any Canadian is going to obtain his car at a price equivalent to United States prices.

Who reaps the benefit of this agreement? The consumer in Canada loses \$50 million in income, and it is the government's hope that some time in the future the automobile companies will deign to reduce the price in order to take up part of the difference between the Canadian and United States prices.

Let us now move on to the next matter, Canadian federation, and this is a large one. We heard the concept of this government as announced by the Prime Minister; two nations and two flags, and now we are to have two anthems in the interests of Canadian unity. He speaks about strength and unity of Canadian confederation through the lips of the Governor General. The ludicrous promise is made that this government will continue their policy of promoting the strength and unity of the Canadian confederation. Sir, during the period they have been in office they have done more to bring about discord, suspicion and division in this country than was ever done before since confederation, with the one exception that took place in 1917.

Except for that, never has there been anything like this. Policies have been followed that have set race against race for pure political expediency. They are going to improve the relationship, they say. I am not going into this except to repeat what I said, that if this plan is accepted they will be placing Canadian federation in a strait-jacket which will deny future amendments, however necessary they may be. They will place the Canadian constitution in a position in which each and every province will have a veto. The premier of Quebec has said there will be a veto, and he says it will be an effective one. Already the voices of reason are taking over.

Because I dared to say this was a bad arrangement, or even dared to utter such words, they said I was anti-Quebec. What are the people of Quebec saying today? What has been said in *Le Devoir*?

**Mr. Pepin:** Yes, but for opposite reasons.

**Mr. Diefenbaker:** What was the comment? Mr. Speaker, if I can get the Minister of Justice to speak on this subject I will have achieved the epitome of parliamentary per-