

*The Address—Mr. Chaplin*

primary products. This results in increasing world competition in the field of raw materials and today this is seriously affecting Canada's position as a world supplier.

There are those theorists, Mr. Speaker, who say that we should specialize in the manufacture of those things in which we are most competent. Just what that embraces I do not know. But I do know that there are many, many materials today that can be reproduced synthetically. With proper equipment and training, plastic plants could operate in any country in the world. Here is another area where new products and new materials can and do compete with traditional materials. As I see it, one important raw material that we must provide in the future is managerial excellence in the form of chemists, engineers, technicians and skilled personnel, along with the development of new and modern techniques.

It is only through a sound, strong and prosperous secondary industry that we are going to be able to do this. If we do not do so, we will fall far and we will fall fast before the onslaught of European and Asiatic competition, along with that of the United States which we have with us always.

What has the government done to encourage the growth and expansion of industry in this country? There has been, of course, the devaluation of the dollar and the very beneficial effects from this action are now becoming very apparent. But I want to speak at this time more specifically of the activities of the Department of Trade and Commerce. The minister of this department has done an outstanding job. He has given imaginative leadership to the department. Their morale is high and they are probably the finest foreign service of this kind in the world today. This is attested to by every businessman who has had anything to do with them.

There has been nothing static about this department, and that the many new and novel approaches that have been taken to promote the sale of Canadian products have been sound and realistic can also be attested to by some 5,600 businessmen and manufacturers who have attended the various trade conferences held by the minister throughout the country.

Now, the department is proposing to bring buyers from foreign countries to see what Canada has to offer. This has created some editorial comment and some criticism. Admittedly, this approach might not appear orthodox in relation to the action and the function of this department in the past, but I do not look upon this as socialism or undue bureaucratic interference with business any more than I look upon the establishment of trade fairs as being socialistic or bureaucratic.

[Mr. Chaplin.]

Actually, Mr. Speaker, I can see a great advantage to bringing potential customers to this country to see the manufacturing facilities we possess. It is not anticipated that the Department of Trade and Commerce is going to take over foreign sales by Canadian businessmen. Manufacturers, of course, still have to go out and sell their individual products. I look upon this as intelligent co-operation on the part of the department with manufacturers to try to strengthen and preserve our trading position in world markets which is being challenged by every other aggressive country in the world today.

Manufacturers in this country generally have responded enthusiastically to the leadership that has been given by the minister. In passing, Mr. Speaker, I should like to say that I sometimes get a little tired of listening to the pontificating of certain editorial writers who reiterate again and again that Canadian manufacturers are lazy, unimaginative, inefficient and lack sales initiative. In my experience, this just is not a fact. There may, of course, be inefficient businesses. I suppose that there are. But by and large, Canadian industry has had to be efficient to live. In my own experience, I have had the heads of large United States manufacturing companies visit our plant, and they have been amazed at the versatility and ingenuity we have had to use in Canada to meet competition.

There are many other facets of this department with which I have not time to deal today, but I do want to mention one in the domestic field. Along with the Department of Labour, they were instrumental in setting up the productivity council. This, I feel, was one of the most important things we have attempted in this country. I was greatly distressed when one of the very prominent labour leaders in this country today saw fit to resign. One of the significant features of the recovery of European countries after the war was the determination of all elements of the population to again get on their feet. It was the determined co-operation of government, labour and industry that primarily led to the spectacular recovery of these countries even prior to the advent of the common market. We have a lot to learn from this because it is these people with whom we are going to have to compete.

We in this country must increase our productivity and we must reduce our costs. With some fear of over-simplification, Mr. Speaker, I would say that a manufacturer's cost is largely made up of raw materials which he buys, of the cost of labour to convert those raw materials into whatever his product may be and, in this day and age, it also includes the tremendous burden of taxation that has been placed upon industry by all levels of