

a shortage. If it is necessary to denounce abuses committed by certain enterprises which are monopolies, it is not by replacing them with state corporations which are in fact another type of inefficient monopolies, most often running large deficits, that consumers will find their advantage, no matter how small it is.

An economic system capable of maintaining a reasonable profit incentive while ensuring a fair distribution of produced goods would serve the interests of both producers and consumers. Instead of criticizing private enterprise, let us see what can be improved in it. By trying to get private enterprise to accomplish things beyond its realm of competence, all levels of government have surrounded it with a stiffening bureaucracy which prevents it from functioning well and providing all the output it is capable of. It should be more appropriate to howl against the bureaucracy which has everyone at wits' end instead of criticizing private enterprise. Furthermore, the cost of that inefficient bureaucracy is tremendous and increases every day. So it is not surprising that government budgets should constantly go up without an expansion in services. The cost of the bureaucracy is added to the cost of goods, and in the final analysis the consumer and the taxpayer must foot the bill.

Quite regularly, Canadian businesses call to the attention of the government, through briefs or other means of pressure, the amendments they would like to see brought in to the legislation to ensure the development of existing industries and the creation of new ones. It would be absolutely necessary that our administrators take into account the representations made by industry leaders and fashion their legislation so as to allow those concerned to contribute more to the improvement of economic conditions and reduce the rate of unemployment which has become the number one problem in Canada.

Most of the over one million small, independent businesses in Canada are small operations and many are sole proprietorships. In numerical terms, they form the greater number. Although 90 per cent of Canadian companies employ more than 200 people each, collectively, they account for 65 per cent of the country's labour force. To say that small businesses are the backbone of Canada's economic life is not a banal thing—it is a fact. Outside its impact in terms of employment, as we just saw, small businesses can offer solutions to socio-economic crises such as the migration toward urban centres or the quality of life.

An article published in the newspaper in my area, the *St-Laurent* dated February 9, 1977, under the heading:

Industrialization, maturity and moderation—

—pointed out various factors that contribute a great deal to the establishment of new industries.

In these circumstances some reference to that article are in order. Here is the first quote:

Advantages include a climate of security and stability under which the firm can feel it is making a safe and lasting investment.

A welcoming spirit in the community, both municipal authorities and the people; a perception by community leaders and citizens of the contribution made by a firm to the local economy; the desire among the industry's workers to ensure not only good performance but also expansion, through a sense of

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responsibility and understanding going sometimes to the extent of voluntary sacrifice are also worthy of consideration, especially in the current circumstances where job opportunities are getting scarce.

In areas where it is desired, industrial development is also a matter of maturity and restraint.

Maturity means a sense of realities which, among citizens and leaders and government authorities may be described as a pragmatic, serious approach under which discrimination is made between wishful thinking and reality, between those things that can harm the common good and those that must rationally be accepted in a common betterment perspective.

On the restraint theme at the national level, the article goes on to state, it has often been indicated:

That in a number of areas excessive union claims as to industrial wages and fringe benefits are mainly responsible for the excessive costs of production making our products less and less competitive on the international market place.

Further on, coming back to the local aspect of the situation, we read, and I quote:

... not only is it important for industrialists to feel that they are welcome in the area, in addition the work force must understand that excessive wage demands can at times impede the expansion of the industry and its competitiveness in the markets where the goods it produces are sold.

The problem of the salaries the employer must pay his employees is the key problem of any industry. It is the cause of its success, of strikes and a constant source of difficulties. Too often we forget that salaries are a flexible tool, always perfectible, with which an able manager can win the good services and the respect of his employees. Management, through it, can avoid having to deal constantly with the touchy problem of discipline and thus considerably decrease maintenance costs and losses. Often wise administration of salaries, plus the competence of the manager, guarantee a company a dynamic management.

If seems difficult at times to inspire the employees the interest they should have in the industry on which they depend for their livelihood; yet, it is quite normal to have some interest, even as an employee, since the daily bread served on the family table depends on its revenue. Unfortunately, today the attitude it very often quite different. In some cases, people do no more than what is necessary to keep their jobs. Yet, the workers do determine what salaries will be since they are the ones who keep the business or the industry operating. Often the financial success of a business depends on their behaviour. In fact, it would seem that when once we have managed to make the worker wholly responsible for his salary, and that of his fellow workers, the problem will have been solved.

Mr. Deputy Speaker: Order. I am sorry to interrupt the hon. member, but the time allotted to him has now expired.

● (1712)

[English]

Mr. Bill Kempling (Halton-Wentworth): Mr. Speaker, I am not surprised that in his remarks this afternoon the Minister of Industry, Trade and Commerce (Mr. Horner) chose to put on the record only one side of the equation when talking about fully manufactured products. While we gave the trade figures for exports over a span of years, he failed to indicate what were the import figures and what was the surplus or deficit