

*Customs Tariff*

labour-intensive activities here and moved its automated and highly productive facilities to the United States. Hedlin Menzies advised Massey-Ferguson to keep their labour-intensive activities in Canada and told the workers the only way to keep these activities in Canada was for them to work for lower wages. In this way it pays Massey-Ferguson to maintain the hand-assembly activities in Canada but all the tractors are made outside Canada. That has been the pattern of free trade.

This government, and perhaps all governments, long for easy answers. It is not easy to bring in an industrial strategy. It is not easy to make policy decisions. We have fought this government on many occasions and we know what rocks they are over there. Before they were moved and before they were persuaded that we should not be exporting gas and oil, we pounded them for years until sheer necessity forced them to do something. I would like to think that we had some influence on those rocks. I suspect that accidents happen and that they had not counted on being shafted by the multinational oil companies which did not give them accurate figures. I suppose they had as much influence on the government as we did, although I think our pounding persuaded a large segment of the public that the government had to answer more for its give-away resource policies than had been the case. To that extent I think the opposition has played a useful role.

For years and years the government took the easy way out and it is still taking the easy way out by exporting raw materials and importing manufactured goods. The hon. member for York-Simcoe (Mr. Stevens) is a very knowledgeable man and I have a very high regard for him. He asked a question which I would have thought had an obvious answer. He said the government should explain why the revenue from tariffs has gone up by \$120 million. The answer is obvious. We are importing manufactured goods like crazy. We have such a high rate of unemployment because the things which would provide jobs are being imported, and the things which do not provide jobs are being exported. The minister has vaunted figures on how hard we are working on exports. He was talking about exporting raw materials. What does that do? It is not exporting that is important. Much may be exported, but if something more valuable is being exchanged for something less valuable, that is pretty foolish; and that is what we have tended to do over the years. We have tended to do the easy things. We give away what is enormously valuable and take back something which is less valuable to our economy.

Mr. Speaker, I do not believe you are getting restless; I think you are in a warning position. I want to conclude with a word on the urgent need for this government to make a statement about where it stands regarding trade, industrial development and the kinds of things which have made us a different nation and which I hope will continue to make us a different nation in the future.

[Translation]

**Mr. Gérard Laprise (Abitibi):** Mr. Speaker, while perusing Bill C-67, I did not know that so much could be said about such a simple and short bill. I realize that the previous speaker has not so much dealt with the contents of the bill as with its shortcomings. This is why he spoke at length about what the government should have

anticipated concerning the imports of goods which could have been manufactured in Canada.

Mr. Speaker, we can hardly criticize the contents of Bill C-67 since it generally abolishes custom duties on items which are evidently not manufactured in Canada. But such is not the issue. I think that in various sectors, we could manufacture those items in Canada, but we have failed up to now to encourage the establishment of responsible manufacturing industries which could produce goods required by the Canadian consumer and thus provide and create jobs for Canadian workers. We rightly complain about the increasing rate of unemployment. We have just been advised that the seasonally adjusted number of unemployed has increased by 10,000 in June.

Mr. Speaker, I believe that worries not only workers but all Canadians. We see for instance that the bill exempts farm equipment from duty. Not too long ago I read an article that said there is practically no more production of farm equipment in Canada. We no longer make tractors, mowers, harvesters and all those machines used in agricultural production. But we do export cereals to Russia. We are also getting ready to export some great quantities and Russia pays for those cereals with farm machinery to enable us to produce more food for them. It gets to be some kind of vicious circle. And we have proved in the past, Mr. Speaker, that we were able to produce farm equipment.

We have had in Canada important manufactures of tractors, mowers, harvesters, all kinds of ploughs with which Canadians were satisfied. Today most of the time one has to resort to outside markets to get farm equipment and parts, a situation that in many cases has become almost a nightmare for farmers. Now, Mr. Speaker, that is important, and the Canadian government should not allow free entry for such items, but see to the development of industries that might provide Canadians with those items we can produce.

The same story repeats itself in other areas. In agriculture, representatives of the Agricultural Producers' Union from the province of Quebec mentioned to us today at noon that Canada imports huge amounts of products which we could manufacture, such as cheese for instance, which accounts for imports of half a billion dollars. We import maybe even more butter than we produce in Canada. Those are again things which the government seems to be more interested in importing than producing and whose production it does not seem to be ready to foster in Canada.

This bill deals with customs. Sometimes our tariffs are applied inside out. Again in agriculture for instance, we now force Canadian dairy producers to pay an export tax of 90 cents per hundredweight of milk powder to be exported, whereas in the Common Market they subsidize dairy producers—exactly the opposite of what we do. In Canada, we apply tariffs inside out, we force Canadian producers to pay a tax on their exports. Mr. Speaker, that was one of the points to which I wanted to draw the attention of the minister. Even if he is not listening, I know his officials are here to remind him of those points.

Another point which caught my attention in this bill is the clause which deals with casual donations sent by persons abroad to friends in Canada or brought into Canada by non-residents. Mr. Speaker, the higher value of