

Supply—Finance

which form the European common market are steadily reducing the tariffs which apply against each member country until they disappear and there is free trade among the countries which form the group. By the end of this year these internal tariffs will have been cut approximately in half.

Manufacturing industries in the European common market countries have a high degree of efficiency and a great deal of technological skill. They also have lower wage rates than we have here in Canada. The result is that they produce products of good design and quality at prices which are usually lower than those at which similar Canadian products can be offered for sale. The result is that if our manufacturing industries in Canada are faced with competition on a free trade basis with the industries of western Europe, they will, in most cases, come off second best, with the consequent loss of production and employment.

More than one quarter of our people in Canada are directly employed in manufacturing industries, and a great many more are employed in industries which service manufacturing, such as transportation, production of power, and so on. I would estimate that somewhere between one third and one half of our people are directly affected by the level of manufacturing activity in this country, and many more, such as the shopkeepers in the industrial areas, are indirectly affected.

Although the need for maintaining a strong and healthy manufacturing industry is particularly important to those areas in Canada where manufacturing is concentrated, it is equally important for the future in those areas where secondary industry must be developed so that the economies of all parts of the country may become diversified, and not be dependent on one or a few primary industries. The past summer, Mr. Chairman, has given us a prime example of how the weather can affect the income of large numbers of our people living in areas which depend largely on agricultural production. The new manufacturing industries which we must develop in all parts of the country cannot be developed if they have to face free trade competition from the industries of western Europe.

These are matters which must be kept very much in mind when we are considering the desirability or otherwise of joining various trading groups. I can assure all hon. members that these questions are being intensively studied by the government, to make sure that the best possible arrangements for our country as a whole are worked out.

[Mr. Hees.]

In speaking for the official opposition, the hon. member for Laurier was less specific than the leader of the C.C.F. in his suggestions as to the action the government should take. He contented himself mainly with protests against the approach which the Minister of Finance and I took at Accra on behalf of our farmers, our fishermen, our lumbermen, our miners, our other primary producers and our manufacturers. He objected on behalf of his party—

Mr. Chevrier: Mr. Chairman, I rise on a point of order. The member for Laurier made no such affirmation and the minister either was not listening to the speech which the member for Laurier made or he did not understand it because I made no such affirmation, nor do I recognize the language the minister has just quoted.

Mr. Hees: I am referring to a speech by the hon. member for Laurier which I listened to with great attention this afternoon, wherein he found great fault with what the Minister of Finance and I did at Accra, where we put forward very clearly and incisively the position of Canadian producers of all kinds, our farmers, our fishermen, our lumbermen, our miners, our other primary producers and our manufacturers.

Mr. Chevrier: That is not so.

Mr. Hees: That is what we did, Mr. Chairman. I claim that is what we did. I was at Accra and so was the Minister of Finance. We both know what we said and we put forward on behalf of Canada—

Mr. Chevrier: I rise on a point of order.

The Acting Chairman (Mr. Creaghan): We have had two points of order on the same subject. I listened to most of the debate this afternoon and I am more or less in agreement with both hon. members. It seems to me that the fault, if any, is brought about by the fact that we have had two types of allegations. I think the Minister of Trade and Commerce legitimately has the floor and if the hon. member for Laurier will permit him to proceed I am sure more progress will be made.

Mr. Chevrier: Mr. Chairman, under the rules of the house I am not going to allow the minister to proceed if he is stating things that I did not say. What he is trying to do is to take words out of context and put them into a text which has been prepared for delivery for him here. I will not stand for that because that is contrary to the rules of the house. What I did today was to complain bitterly about the attitude that had been taken by these ministers as reported