

Canadian Trade Policy

Cambridge pointed out, has made no positive contribution to this debate. He has not indicated what his party's position will be and in what direction they would move.

● (1720)

Mr. Stevens: We started the debate. That is more than your government did.

Mr. Martin: I want to speak for a moment on one or two of the comments made by the hon. member for Waterloo-Cambridge. He touched on some of the sensitive issues involved in the negotiations, and on the determination of an ultimate position for Canada—whether we move more toward free trade, or less in the direction of free trade. He indicated clearly that in his view many consultations have taken place. I think he appreciated the degree of consultation in which the government has been involved. I was glad to hear him confirm that in his view trade negotiations are not a simple matter. In effect, it is not our opinion only on this side of the House that trade negotiations are not a simple matter, but it has been clearly stated in the House by the financial critic of the NDP that he sees these implications as well. I suggest the hon. member for York-Simcoe also sees them. You cannot tie the hands of the negotiators in the way in which it has been proposed.

Mr. Stevens: That is why you need help.

Mr. Martin: Trade negotiations are not taps to be turned on and off at a whim. Again I say that the fact remains that the official opposition has no policy in the area. It is completely devoid of policy in this as in many other areas. I tend to agree with the hon. member for Waterloo-Cambridge when he indicates that one of the chief objectives of increased trade must be to create added employment opportunities in Canada. I do not think any of us question that.

But I would like to come back for a moment to the comments made by the hon. member for York-Simcoe. What I detect is a continuing negative approach by the official opposition to matters relating to the Canadian economy. I would like to talk positively about our over-all economic situation. I believe that members on this side of the House tend to conduct themselves in this way, which indicates a differing point of view. We recognize the economic problems that face this nation—and there are some serious ones—but at the same time we on this side of the House are proud, and in my view rightly so, of the positive factors in our economy which are in a number of cases the envy of people even outside Canada.

Let me start with the leadership which, I suggest, has been given to this nation and its people by our Prime Minister (Mr. Trudeau) and his cabinet colleagues in the area of controlling the plague of inflation which was besetting us a year ago. I repeat, I think we on this side of the House should be proud of our positive and non-secretive action in this area. Let me quote one noted columnist from outside the country. I am referring to a column on October 19 of this year written by Joseph Kraft. It is very seldom that a noted foreign correspondent, particularly from the United States, would take time to devote

[Mr. Martin.]

an entire column to Canadian affairs, especially in the closing weeks of one of the closest presidential contests that we have seen in recent years. I want briefly to quote from the opening and closing paragraphs of the column he wrote. He opened with these words:

Last week saw the first anniversary of an exceptional effort by perhaps the world's most gifted leader to put the lid on inflation.

He ends his column with the following words:

No one can look at the Canadian experience and be optimistic about the rest of the world where presidents and prime ministers are so much less intelligent and so much less willing to sacrifice popularity to principle than Trudeau.

Some hon. Members: Hear, hear!

An hon. Member: Obviously, he does not live here.

Mr. Murta: You read that with a straight face? You should say that on the radio, where they cannot see your face.

Mr. Martin: This excites the official opposition. They do not like to see the Canadian nation receive strong leadership, as it has for several years.

Some hon. Members: Oh, oh!

Mr. Martin: I will say no more on the subject of inflation other than to point out to the hon. member for York-Simcoe and his party that their failure to appreciate the extent of the problem facing the Canadian economy in October, 1975, and their action in voting against the anti-inflation policy was, in my view, an act of gross irresponsibility on the part of that party which wishes to hold itself out to the Canadian electorate as an acceptable alternative to provide leadership to the nation.

Let us talk for a moment about some of the facts relating to the present state of the Canadian economy. We have talked of inflation. What is the situation? The current rate is approximately 6½ per cent. This is not bad at all in relation to the almost 12 per cent in vogue a year ago. It is not bad in relation to the current wholesale price inflation rate of 7.2 per cent which is the October figure prevailing in the U.S.A., and it is not bad—indeed, it is extremely good, I would say—in relation to the rate of 14 per cent or so prevalent in the United Kingdom. No one progresses anywhere without having inflation under control. Canada is bringing it under control. This government is bringing it under control and will continue to do so. I suggest that this is extremely important in terms of our over-all economy and in the long-term interest of trade, jobs and the well-being of average Canadians.

Let us talk for a moment about growth. Our economy is growing reasonably well on target for 1976. There is an annual growth rate of approximately 5 per cent in real terms in the first half of the year. This rate matches the rate of a year ago. Yet it is a rate that prevails during a difficult time when we appreciate that one of the penalties paid for endeavouring to keep inflation under control is that growth is more difficult to achieve. I suggest that a 5 per cent rate in the first half of this year must be examined in terms of the other kinds of things we are trying to do in the area of combating inflation. Consumer