

Supply—Industry

cent. However, I paid more importance to the phenomenon of trade imbalance, to the comparison of our trade balance in automobiles. I think this is where the comparison should be made. Hon. members will recall that I said we had an imbalance, against us of \$351 million in 1968. In 1965 it was \$547 million, and in previous years it was even higher.

The hon. member also said that productivity in Canada is increasing more slowly than in the United States. I am delighted to tell him that, fortunately, he is wrong, at least as far as the automobile industry is concerned. In Canada annual productivity increased 8 per cent last year. In the United States it was 5 per cent. As I said in my speech, the productivity gap has been brought down in this industry from 30 per cent to 20 per cent. I hope this trend will continue.

Mr. Hales: Mr. Chairman, just to put the record straight: That is for one industry only, the automotive industry, and if you lump all industries together, that is not a fact.

Mr. Pepin: I have figures on that, too, Mr. Chairman. I gave figures in my speech and I have further figures showing that the productivity increase in Canada is faster than it is in the United States at this time, and has been for the last ten years or so.

Some hon. Members: Hear, hear.

Mr. Pepin: In view of the size of the gap which existed before, that kind of news does not cheer one completely, but it is nice to know that the gap is being minimized, even if it is not being minimized rapidly enough.

The hon. member for Winnipeg North also said a number of things on the subject of automobiles. He paid his compliments to the agreement. However, he also talked about the number of workers being laid off, in particular at the Ford plant in Windsor.

● (8:20 p.m.)

As I said, many of these lay-offs are temporary, resulting from the construction of a new plant. One could very well make the point that, had it not been for the decision to build a new plant, these workers would have been laid off permanently. This situation would have been worse than the one we now deplore. I must emphasize the fact that these workers will be coming back to better jobs, more secure jobs, and there will be 200 more of these jobs than at present. I must repeat also that the workers with seniority will receive up to 95 per cent of their present

[Mr. Pepin.]

income. Unfortunately, those who have been employed for less than 30 weeks will not receive this advantage. I have to emphasize, and I checked this at the time, that there is alternative employment in the Windsor area, again partly the result of the automobile agreement.

Hon. members know that Ford is building a new engine plant in Windsor which will produce about 900,000 engines per year, and will employ 1,200 people. Chrysler is also building a new engine plant which will provide work for an additional 1,500 people. Many of us would like to see developments of this sort take place in our ridings. However, I sympathize with the temporary situation in which some individuals find themselves.

The hon. member for Wellington was interested in the blueberry project to which reference was made in the estimates. This project was undertaken at the request of the governments of Nova Scotia, New Brunswick and Prince Edward Island. The department is having a look at the possibility of processing these berries. This is a processing, an industrial, not an agricultural problem. It is an industrial problem which is related to individual productivity, to exports, by freezing the berries. The project was undertaken with the full co-operation of the federal Department of Agriculture, so there is no duplication. The hon. member is rightly concerned about avoiding duplication.

On the subject of grants, the same member feels that there is not enough concentration of these grants, which he might call scientific grants. He seems to think that all these subsidies should be handled through the science secretariat. While that is debatable, I presume that if we had a minister of science he would want to have most of these things in his hand. There would be a few of us, however, not opposing this procedure because we are a disciplined group, but making the point that our departments may have some expertise to contribute that might not be found in the present science secretariat or in a future science department. What I mean is that these grants are given for industrial development; they are not for exclusively scientific achievements. The purpose of these grants is industrial development and they must be looked upon also from the point of view of tariffs, export possibilities, technological progress and so on. At times many members complain that our programs are not sufficiently developmental-oriented, are not sufficiently mission-oriented, and I believe it to be the