

Employment Programs

My point is that until the principles laid down in the statement of May 26 are enforced by general agreement, or until through co-operation and consultation with the OECD ground rules are laid down governing concessional financing between developed countries, we in this country must match the sort of concessional financing that threatens the manufacturing sector. This clearly is not in our interest in the long term because it would become a full-scale credit war, which benefits no one. But until comparable terms can be made available or until agreement can be reached, we must offer comparable terms.

I am aware that the Minister of Industry, Trade and Commerce and the Minister of Finance know about this situation. The guideline in the May 26 statement is there and it becomes critical that through a consortium of our chartered banks comparable terms be offered so that Canadian manufacturers can compete with their United States equivalent. Otherwise the jobs involved, the technology, the drafting, the engineering and the whole range of skills in general will be lost to our competitors in the United States.

I see that I am running short of time. The second point I should like to raise concerns the Canadian electrical industry generally. It seems to me that what is needed now, and what has been argued for for some time, is a general review by the federal government and by the provincial governments—because some of their agencies are utilizers of electrical equipment, particularly the power utilities—plus the Canadian Electrical Manufacturers Association and the trade unions involved, such as the United Electrical Workers and others.

There should be a review of government policy as it affects the Canadian electrical industry. There are two fundamental facts available to anyone who reviews the situation. The first is that the industry has not realized its full growth potential. Second, areas of the industry are under a state of siege. In today's *Globe and Mail* there is an announcement to the effect that Philips Electronics Industries Limited of Toronto will close down its division. We have known that the Marconi Company has laid off 800 and intends to lay off another 700. The Canadian General Electric plant at Rexdale, and other companies, are involved in lay-offs.

This is an important sector of the industry which has employed a large number of Canadians and Canadian skills. As I said earlier, areas of the industry are in a state of siege. I think the only possible approach at this stage is not to try to balance out a particular sector in an ad hoc way, but to review the total electrical industry and make a decision concerning its importance to our economy. My argument is that this is a key sector of the economy whose importance should be assessed from the point of view of the technology it contributes, the engineering it contributes, the employment it provides and the growth potential it offers and its relevance to a science-based economy. On that basis I believe it can be declared an industry of national importance and one in respect of which a policy should be developed to ensure that its growth potential is developed.

[Mr. Faulkner.]

Mr. Speaker, I should like to draw your attention to the textiles policy. The textiles policy is one which everyone cannot help but support. It is one of the most intelligent pieces of government initiative in the field of industrial policy which I have observed. What were the reasons for the review? I quote from the statement on textiles policy as follows:

Firstly, major and fundamental changes in world technology, production and market demand are creating a new competitive situation... Secondly, present policy designed to cope with the problem of "low-cost" imports have become increasingly difficult to administer. This has led to delays and uncertainties which have resulted in severe disruption and hardship to producers and workers.

Thirdly, the textile companies, the unions and the provinces have expressed concern about the adequacy of the present policy in terms of future investments and employment in the industry...

The position of the textile companies applies equally to the electrical companies. I suggest that the reasons for the review of textiles policy are on all fours with the situation about which we complain today in the electrical industry. The reason this very intelligent, progressive and in many ways imaginative textiles policy was evolved applies equally to the electrical industry.

In conclusion, I wish to repeat the electrical industry is basic and central to our economy. I consider others to be important, but the electrical industry has been in a state of siege from Japan, Hong Kong and a whole range of low-wage countries. The purpose of my intervention tonight is to stress the importance of this industry and the importance of a government policy vis-à-vis the industry. For these reasons I have raised the question and I hope the government will reappraise its policies regarding this particular industry.

Mr. David Orlikow (Winnipeg North): Mr. Speaker, I find the speech of the Parliamentary Secretary to the Minister of Labour, the hon. member for Burnaby-Seymour (Mr. Perrault), and the speech of the hon. member for Peterborough (Mr. Faulkner) interesting because both hon. members scold our party for moving this resolution. The hon. member for Burnaby-Seymour said we have offered nothing constructive and that there are more people working now than ever before. He ignores the fact that unemployment in Canada is higher than it has been for a dozen or more years, and that unemployment in British Columbia in October of 1970 was 69,000, compared with 40,000 in October of last year.

The hon. member for Peterborough says our criticism of the Minister of Finance (Mr. Benson) is one of fine tuning. He disagrees as to when certain measures should be taken and then proceeds to lecture the minister about circumstances in the electrical industry. I agree with him, but why does he say this situation applies particularly to the electrical industry? It is a very large employer in his constituency and therefore he makes representations on behalf of the industry. I do not blame him.

We are not concerned only with the electrical industry. We are concerned about the high rate of unemployment throughout this country. It is now agreed by experts in