

Employment Support Bill

All I can say to the government and to the people on that side of the House is that we must look at Canada's trade patterns and trade orientation in a different fashion. We must redirect our objectives before the government negotiates with other trading countries. Our objective is to obtain as large a piece of the western world trade pie as possible. That is the aim of our competitors. We are all fighting for a piece of the same pie and it is no longer big enough to go around. The sort of shipplaster approach offered in this bill is not good enough.

Mr. Woolliams: How do we know they will pay? The government did not pay the farmers.

Mr. Gleave: That is true.

The Acting Speaker (Mr. Laniel): Is the hon. member for Ontario (Mr. Cafik) rising for the purpose of asking a question?

Mr. Cafik: Yes, Mr. Speaker. I had asked the hon. member for Saskatoon-Biggar (Mr. Gleave) whether he would answer a question.

The Acting Speaker (Mr. Laniel): Order, please. The hon. member knows that a question can only be asked with the consent of the hon. member who has the floor.

Mr. Cafik: In his speech the hon. member indicated that if the purpose of the act is to continue to put goods into the United States of America, we will be in effect subsidizing the U.S. consumer. I should like to ask the hon. member what clause of this bill states or implies that it is directed toward that objective. The bill is clearly designed to support employment in firms affected. Perhaps the hon. member would clarify that matter for the House.

Mr. Gleave: Mr. Speaker, I would be surprised if even the government were naïve enough to bring forward a bill intended to subsidize the United States consumer. I said that the effect of this bill and the government's action, in so far as we use the taxpayers' money to pay a portion of Canadian workers' wages in order to export goods to the United States, will benefit U.S. consumers.

Mr. Cafik: That is not the purpose of it.

Mr. Gleave: It may not be the purpose, but that is the effect.

• (9:10 p.m.)

[Translation]

Mr. Ronald Godin (Portneuf): Mr. Speaker, I certainly hope I am not disturbing anyone by entering the debate at this time.

This House is now studying Bill C-262 entitled "An Act to support employment in Canada by mitigating the disruptive effect on Canadian industry of the imposition of foreign import surtaxes or other actions of a like effect".

In my view, Mr. Speaker, the bill might just as well have been called "An Act to support U.S. consumption".

Here is what a columnist of *Le Devoir* wrote and I quote:

American consumers will still use Canadian sources of supply at the old prices; Canadian exporters will absorb the surcharge by reducing their sales price and they will be compensated by federal

subsidies. The Trudeau government has therefore chosen to subsidize the American consumers through their Canadian suppliers.

It cannot be said that this is an innovation since we use that method constantly, for instance, when we grant interest free loans of millions dollars to foreign countries. Several Canadian shipyards operate currently under that method. Thanks to special loans and subsidies, thousand-year-old countries are building ships in Canada with our money. We, Canadians, therefore subsidize foreign consumers by emptying our fairly depleted pockets.

This is somewhat comparable to having four or five Canadians, who cannot afford to have their own cars, contributing from \$700 to \$800 each to a foreigner that he might buy one. Now, we must not be surprised if with such methods the number of our unemployed increases. For the second consecutive year, with the coming winter, Canada will be experiencing one of the highest level of unemployment for decades.

It is true that the American surcharge of 10 per cent on exports will not help Canada. Moreover, if the tax remains in effect for a year, our country will lose \$900 million and have some 90,000 more unemployed. If we want to blame our powerful neighbour for such a high loss of revenue, it would be easy enough since this figure of 90,000 in fact only represents one seventh of the Canadian unemployed during the first months.

Our unemployment is a Canadian deed which will be amplified by the American decision. The Canadian people are not only affected by an unemployment problem but particularly by a consumer problem.

Statistics show that at the minimum, two fifths of Canadians live on the poverty line and Quebecers make up two thirds of them. Ontario has seen the number of its welfare cases rise by 43 per cent in the course of last year.

From shore to shore, poverty is the most persistent problem. Thousands of Canadian families are stagnating in physical and moral misery, in the midst of a wealthy society.

So this government has taken the bit between its teeth and introduced a legislation to "support employment", which would allow the granting of subsidies to industries badly affected by the surcharge.

Among other points to clarify in this bill, there is, in my opinion, that of the percentage. I am amazed at the way of sorting out exporters according to the quantity of goods exported. As for larger businesses which have operated for many years, have succeeded in making their products known abroad, and whose turnover is greater than a certain percentage, it will be easy to class them.

On the other hand, the smaller firms or those that have developed their business mainly in Canada will not receive such subsidies because their export percentage does not reach that required by the new act. Why such discrimination? Up till now, has the present government not asked the same of all firms? Has the government taken their turnover into account before imposing the 12 per cent tax on their production? Has the government asked what was their turnover before asking them to deduct taxes from their employees' salaries? Their foreign business was not sufficient to entitle them to some assistance but it was never low enough to exempt them from taxation.