

*Employment Support Bill*

of the rise in the value of the Canadian dollar in relation to the United States dollar during the past year. Obviously, it makes no provision for the effect on those industries of any further increase which may take place in the value of the Canadian dollar in relation to the United States dollar and the impact this would have upon the competitive position of Canadian goods in export. I am just pointing out to the minister that, as he himself must realize, this is a bill of very limited import designed to serve a very limited purpose.

• (3.50 p.m.)

This bill clearly also does nothing about unemployment that already existed in the economy prior to the imposition of the surtax by the President of the United States. I refer to unemployment during the course of this year—without going back any further than that—that rose to an unacceptable level, unemployment that the Prime Minister (Mr. Trudeau) and the Minister of Finance (Mr. Benson) as well as other members of the government have predicted all this year, and indeed predicted prior to the commencement of this year, would be reduced steadily and satisfactorily throughout the course of the year.

Unfortunately their predictions have turned out to be very wrong. Equally unfortunately for the country my prediction that unemployment, seasonally adjusted, would remain above 6 per cent for the year is proving all too correct. In the month of July, for example, which is the last month for which we have figures, the seasonally adjusted rate stood at 6.3 per cent, which I think is higher than it was in the month of February.

There is no provision in this bill that faces up to this problem. There is nothing in the bill that recognizes the failure of other government measures to spur the economy and reduce unemployment. Nor is there anything in the bill that recognizes the failure of government policy prior to the initiative taken by President Nixon. Indeed, I am rather amazed at some of the language used in the title of the bill, namely "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". For a government that has wantonly and deliberately produced policies that have dished up a bellyfull of disruptive effects upon the Canadian economy to suggest that the present disruptions are caused substantially from abroad or could only happen by accident certainly would be deceitfully ridiculous.

The picture that some ministers have already tried to create is that of the innocent, dutiful lad sticking his thumb into the dyke to save the village. Do they really think that Canadians are going to buy such a picture? Certainly I do not. I think that Canadians have come to the rude awakening that this government has sat around complacently, has sat around on high ground, so to speak, while the dyke was in need of repair.

**Mr. Pepin:** The Americans are full of praise for us.

**Mr. Stanfield:** Yes, I am sure they are; they show it. Then, with all the villagers up to their necks in water, so to speak, a rainstorm has blown up from the United States to complicate matters, and it strikes me that what the government is doing in this bill is to try to say that the

[Mr. Stanfield.]

storm has caused the dyke to break in advance. The government is also, of course, trying to make a big thing out of its wonderful gesture of throwing out umbrellas to protect all the drowning people from the rain. Are we going to have a succession of bills and orders in council to mitigate things? If so, I think that the unemployed people of this country would like to have a measure to mitigate the gall of this government.

It is worth pointing out to the House, too, that there is no provision in this measure to strengthen Canada's longer term trading position, in the United States or elsewhere. It is simply a very limited measure that is designed to meet the problem created by the surtax. And how adequate is it for that purpose? As the minister has mentioned, the surtax is a temporary one. It has been described as being temporary. The Minister himself has wondered just what is the meaning of "temporary". Is it a few months, is it six months, is it a year as some people in responsible positions in the United States have suggested it might be, or is it a couple of years as others in responsible positions in the United States have suggested? Surely, a measure that is reasonably adequate to deal with a surtax that is to last for a few months, as this measure may well be, could be anything but satisfactory if the surtax were to continue over a period of a year or two years. We cannot regard this measure as anything more than a very short-term, interim measure to deal with a problem of a very few months' duration. Otherwise, a measure like this would surely be completely unsatisfactory and inadequate.

In addition, it is obvious that the measure is very general and very vague. I had to leave the chamber for a few moments while the minister was speaking and I do not know whether he assured the House that this bill would provide for all exports that might be affected by the surtax—in other words, whether or not the definition of "manufacturers" in the bill is sufficiently broad to cover all exports that might be affected by foreign surtaxes. I may have missed that assurance if the minister gave it, but that is a matter that we need to know.

The minister talked for quite a while about the use of the word "significant", because only where there is a "significant" decline in employment does the aid come into operation. What does that mean, Mr. Speaker? It obviously means, for this reason and for others mentioned by the minister, that this board is going to have a good deal of discretion. At least, the government is going to have a good deal of discretion in connection with the regulations, and presumably the board will be left with a good deal of discretion under those regulations.

Consequently, we are obviously considering here a measure that is loose and open to abuse. It is one that will be hard to police. On the other hand, it may be that the board has so much discretion in judging whether or not an employer has really carried out what he undertook to carry out that a good many businessmen and firms would not wish to run too many risks or to make too many commitments in terms of expenditure and would place themselves entirely in the hands of the board. So, it will remain to be seen whether this measure proves to be really effective in bringing forth request for assistance upon which manufacturers, as described in the bill, are prepared to make commitments in the confidence that they can properly place themselves and their financial