

● (5:20 p.m.)

When a nation lives by export it must live with the economic vagaries of other nations. It is impossible, for example, to control totally the inflation in this country despite the statements of certain opposition spokesmen. We have heard the New Democratic Party in this House ask what is wrong with this government that the people have to pay so many more dollars for groceries when they go to the store. Of course, they are paying more for their groceries. But, the Leader of the New Democratic Party told the council of the New Democratic Party in Ontario a few months ago that they should be frank with themselves, that it is impossible for Canada to control inflation if it is not controlled in the United States. Unfortunately and regrettably we have not had that same degree of disarming candor in the halls of this House of Commons. Yet, we need more candor in this House. Yesterday he spoke as though we were captains of our fate and could take complete charge of our economy any time we wanted to, and that we could simultaneously establish economic independence, full employment and stable prices.

What has been his key proposal to meet the problem? I have a great respect for many of his ideas but here is what we find. I am quoting from the *Globe and Mail* of Saturday, September 4, 1971:

David Lewis, leader of the New Democratic Party, has called for a 10 per cent federal tax on all Canadian natural resources being taken out of the country.

Then, the article quotes the leader of the NDP as saying:

We need to put a 10 per cent tax on our natural resources which the United States hungers for and needs.

In the *Gazette* which has been quoted freely in this House today, he is reported as saying:

Canada ought to consider imposing a 10 per cent export tax on natural resources leaving the country—on the oil and gas and minerals which the U.S. is very hungry for.

This is a policy of economic suicide. It would be utter, abysmal disaster for thousands of working people in Canada's resource industry. If any New Democratic members in this House believe that workers' incomes in this country must be stabilized and maintained they will disown that policy immediately. This would be a suicidal policy for thousands of people. They would lose their jobs. What are the facts of life? We are not living in an island nation south of Pago Pago in the South Pacific. We are living in Canada which is in fierce competition with many other nations for the mineral and resource markets of the world. A few years ago people said that the only place nickel could be obtained in the world was in Canada. Ninety per cent of all the nickel in the world was produced in Canada. We only have 50 per cent of the world market now. World prices prevail. If we introduced the proposal advanced by the Leader of the New Democratic Party we could immediately price ourselves out of certain U.S. markets and put thousands of people out of work.

As was pointed out earlier in this House, many of these resource prices are for delivery in the United States and

#### *Employment Support Bill*

the producer would have to absorb them. These NDP policies have been advanced as though there were no other competition in the world and that we have total control over the economy. It is as though there were no world prices, no competition, and that Australia does not exist, that Malaysia does not exist, and that we are free in a tight, right little Canada. This is not true. It was stated, and I believe with a great deal of candor, by the Minister of Industry for the NDP for the province of Manitoba, Leonard Evans, on September 4 that so far as Ottawa is concerned he thinks both Ottawa and the provinces should seriously look at the possibility of providing subsidies to offset the surcharge. This is not super-heated eloquence; it is a frank statement by a minister of industry who wants to see the economy of his province survive and grow. There is a difference between the statement he made in Manitoba and some of the statements made here. He has responsibility for government. He knows the facts of life. He knows he has to deliver the goods for the people of his province. He has the responsibility of looking after a provincial budget and so he favours the policy advanced here in the federal House. Yet his national leader said this is an abortion of a policy. He talked about a miscarriage of justice. One might wonder what kind of a debate we really are in. It still remains to be seen whether or not his party will support the program.

No one advances this proposal for the expenditure of \$80 million as one which will be the salvation of Canada. Other policies and measures may be necessary. Undoubtedly, other actions will be needed. Together with every other nation we are confronted with a challenge to our ability, our energy, our initiative, our dedication and indeed our love for our country. The challenge is to Canadians in all parties. It may be tempting to take political potshots at the government. That is fair game. Sure, it is. I have been in opposition, too. It may be tempting to transfer blame to the government. But it is a question of inviting the members of the opposition and all Canadians to be members at this particular time of a Canadian construction crew and not members of a Canadian wrecking gang. In this place, we have a responsibility to the citizens of Canada to take this and other measures which will help the working people of this country maintain their family income. That process will be assisted by responsible and fair comment in this House of Commons.

**Mr. H. W. Danforth (Kent-Essex):** Mr. Speaker, the importance of this measure, I believe, has been emphasized by the fact that so many government members have deigned to take part in this debate. In just a few short hours, we have witnessed the participation of three cabinet ministers and two parliamentary secretaries. After listening very seriously, as all hon. members have, to the speeches given by government members, because we must elicit government policy from such speeches, one can have some doubt concerning actually what this measure means for Canada and Canadians. So far as the ministers are concerned, the Minister of Industry, Trade and Commerce (Mr. Pepin), who introduced this measure,