

his position with respect to this tax which prevents the building of homes, the reduction in the price of homes, which would enable a greater number of people to secure housing materials.

As to the other solution which I mentioned this afternoon, it was advocated only a few days ago, on September 3, by the president of the Chrysler Company of Canada, Mr. Ron Todgham, when the new 1972 cars were put on display.

[English]

Ron W. Todgham, president of Chrysler Canada Ltd. of Windsor, suggested yesterday that Canada should remove the 12 per cent federal sales tax to spur the economy.

"If the United States, with its lower tax rates, felt it imperative to adopt such radical measures as we have witnessed in the past month, perhaps we here in Canada may be reaching the point of no return, especially in view of the potential impact of the U.S. measures on Canadian economic activity," he said.

[Translation]

Mr. Speaker, we are not alone therefore in advocating the abolition of the 12 per cent excise tax. This is in contrast with the suggestion made by the leader of the New Democratic Party, as reported in *La Presse* of September 4, and I quote:

Lewis advocates a 10 per cent tax on the export of natural resources.

The leader of the New Democratic Party stated that Canada was not a banana republic nor a weak country. We are aware that it is not a banana republic, but we also know that we often have to purchase bananas from the United States.

As to the weakness of Canada, it is mostly due to the government's irresponsibility and its fearful avoidance of real problems. Even though a hundred bills C-262 were to be introduced, each authorizing an \$80 million expenditure, which is a huge amount, the problem would still remain unsolved.

We can help industry to produce more, of course, but the problem is not so much to produce more than to distribute what has already been produced. And that production, according to the *Créditistes*, should reach primarily the Canadian consumers. Not the American consumers! The *Créditiste* solution is simple, as we have heard often enough. The Minister of Finance has told us time after time; it is simple but nobody takes the trouble to test it. All sorts of gimmicks have been tried and they are still coming up with more. To maintain what? Nothing. The Minister of Finance knows exactly what our position is in relation to the United States. It will not improve, far from it even if we pumped hundreds of millions into the industries affected by American exports and imports.

Mr. Speaker, the *Créditiste* solution is the compensated discount to the consumer. The removal of the 12 per cent excise tax would be one kind of compensated discount.

I see in his seat the Minister of Agriculture (Mr. Olson), an out and out *Créditiste* who, since he became a Liberal is not allowed to rise and speak on *Créditiste* solutions, although he knows them as well as I do.

The other point I want to mention is the distribution of a dividend based on Canadian production, rather than on American production. This dividend should be based on

Employment Support Bill

Canadian agricultural production, on Canadian production of furniture or clothing, on the development of Canada's natural resources.

I mentioned this afternoon the huge James Bay project, which may cost \$6 or \$7 billion. The Canadian government, and the Quebec government, will probably go to New York and kneel before Mr. Rockefeller, and beg him to help finance the development of James Bay, in the northern part of the province of Quebec, and of Canada.

Mr. Speaker, I would like the Minister of Finance to tell us, in his speech, why we cannot use Canadian funds, loaned by the Bank of Canada, for the development of the fantastic James Bay project. Why not? Is a Canadian cheque any different from an American cheque? The Americans will stake their \$6 billion on the resources of James Bay, while us Canadians are not smart enough to do the same thing.

● (8:10 p.m.)

Mr. Speaker, the solution proposed by the government will only slow down our economic growth. Clause 15 of the bill which has been mentioned this afternoon by the leader of the NDP provides that regardless of the Board which the government will establish, it will be able to make grants to firms turned down by the committee which is in the process of being created. The government will be able to act under orders of the Governor in Council. Mr. Speaker, clause 15 is a political patronage clause. It means that independently of the Board the government will have the right to award subsidies of certain firms. The minister of Agriculture is making a gesture to deny this. He might be the first to monkey with election patronage at that time.

Mr. Speaker, why should there be a board, a committee, if the government, under clause 15, can make decisions independently of the Board? Wherefore that Board? To set up more bureaucrats? That is what those \$80 million will be used for. It will take another bureaucratic organization to know whether some company will not be fooling us. The Minister of Industry, Trade and Commerce told us so this afternoon. There must be supervision, to make sure that some people will not try to play tricks on us.

Should the government decide to abolish the excise tax, that would apply to everyone. There would be no need for further bureaucracy. Nor would we need to watch whether someone gets it or not. It would be abolished for everyone, and while this will promote our exports to the United States, it will also promote Canadian consumption.

Mr. Speaker, before resuming my seat, I wish to move an amendment to Bill C-262, an amendment contrary to the bill, one that is realistic, that asks the government to act in a positive fashion and not in a negative one, as is the case with Bill C-262.

I move, seconded by the hon. member for Lotbinière (Mr. Fortin):

That Bill C-262 be not now read a second time, but that it be resolved that, in the opinion of this House, the Government should immediately abolish the 12 per cent excise tax on products manufactured in Canada.