

### Customs Tariff

unemployment and the effects it has on Canadians. I believe most Canadians would support policies or initiatives to establish national trade agreements to liberalize trade through the process of multilateral trade negotiations, such as GATT.

Having said that, Canadians want fair trade in the true sense of the word. They want to know that in the process of trading with other countries they will not end up holding the short end of the stick at every turn. Canadians are a fair-minded and realistic people who know and understand that in any set of negotiations there is a certain give and take, that you win some and you lose some. We know that and accept it, but we will not accept being on the losing end at every turn. Internationally, we have gained the reputation of being patsies in those negotiations. The relaxation of tariff barriers has been the objective of all GATT countries for decades. We know that. This government knew at the outset, when discussions began in Tokyo back in 1973, that there would be considerable pressures to reduce tariffs on a whole host of products. The government knew this and it had a fairly good idea of what it was prepared to give away in these negotiations, but it did nothing to prepare Canadian industry for what was coming.

Many of those industries, which are existing on the sole basis that their products are protected by tariffs, may now expect to suffer severe hardships and perhaps even collapse, as a result of the government's performance in these negotiations. Since then I have seen no evidence of any government measures to assist either those companies which are affected by the outcome of those negotiations, or the people who rely on the continued operation of those companies in order to earn a livelihood.

Mr. Speaker, I see no evidence that the government even recognized the effects its performance is having on the economic life of our country. I see no evidence that the government remotely recognizes that embarking on a free trade policy now will no doubt hasten the transition of our branch plant economy into that of a warehouse economy, where we will simply be a storer of goods for distribution to our domestic markets, rather than manufacturing those goods ourselves for our own security. As effective negotiators, this government fails on every count. As economic managers, this government fails on every count. As a government responsible to those it claims to govern, this government is a failure.

To bring before this House measures such as this, without also bringing forward an industrial strategy to develop an independent Canadian manufacturing base, is a sure way, at least in my view, of guaranteeing that Canada will continue to sell off our raw materials and import the finished goods we require in our country.

Perhaps I may have been a wee bit too harsh in my criticism of the government. Perhaps there is still hope. Perhaps the government has something up its sleeve which it will produce soon and not wait for the next election. Perhaps the Minister of Industry, Trade and Commerce (Mr. Gray) was sincere and meant every word when he spoke on GATT in the House on November 5, 1979, as reported in *Hansard*. He said:

The process of parliamentary consideration of these changes should begin as soon as possible. As part of this process, it is absolutely essential that this government presents to the House, at the same time as it presents the measures to adopt the changes arising out of the GATT tariff negotiations, measures of adjustment assistance, measures to assist not just the industry affected by tariff changes but also the workers in that industry to cope with the effects of these changes.

Perhaps in the course of this debate the government will introduce the other measures promised and will table them in the House, perhaps by Monday next. My mind boggles at the thought.

[Translation]

Motion agreed to, bill read the second time and referred to the Standing Committee on Finance, Trade and Economic Affairs.

\* \* \*

[English]

### INCOME TAX ACT

#### MEASURE TO AMEND

The House resumed, from Wednesday, January 21, consideration of the motion of Mr. MacEachen that Bill C-54, to amend the statute law relating to income tax, be read the second time and referred to Committee of the Whole.

**Mr. G. M. Gurbin (Bruce-Grey):** Mr. Speaker, when the House adjourned several days ago I was in the middle of debate on Bill C-54. I would like to pick up the debate today with a brief reference to some of the things that I had an opportunity to mention, and then to bring into the discussion additional comments which I would like to make.

Perhaps the most significant issue which we were considering several days ago related to the Small Business Development Bond. I would like to emphasize at this time some of the points I made with regard to that bond and the confusion which arose because of the way the bond was not introduced after initially being brought forward in our budget of December, 1979. Then in April, 1980, the Minister of Finance (Mr. MacEachen) through a ways and means motion, put the bond into effect. There was a great deal of confusion, particularly at the local branches of the banks which did not have specific instructions, or perhaps there were limitations on the way in which funds were to be provided to small businessmen and farmers in the rural areas. As a result of this confusion, people who would normally have been able to take advantage of this bond did not take advantage of it. On that basis the government should extend the March 31 deadline into the coming year.

● (1450)

Reference was made to the Canadian Cattlemen's Association and the fact that it was submitting a brief to the Minister of Agriculture (Mr. Whelan), and the Minister of Finance in the hope that the ministers would look at the issue of farmers