

We consistently have a surplus, an advantage of 2 to 3 per cent over our share of the market with respect to auto assembly, and a disadvantage of 5 per cent in our share of the market with respect to automotive parts. If it is true, as many believe, that the trade deficit that we have over-all, including the automotive trade deficit, is one of our most serious basic problems in this country, then the deficit in automotive trade is indeed a very serious matter for all Canadians, not just for those living in automotive centres.

In an address in Leamington on September 14, the then minister of industry, trade and commerce, now the Minister of Finance (Mr. Chrétien), said that government policy was to correct the trade deficit without re-negotiating the auto pact. I do not think we should foreclose the possibility of re-negotiating the auto pact entirely. This is an option we should keep open as at least a possibility on a fair share basis. However, I am prepared to accept at least in the first instance that we try to redress the balance without doing that.

Here again I might refer to the minister's comments on that occasion when he said the government would put pressure on the big four to source more auto parts in Canada. This is probably the most important constituent of a new and helpful policy. It is certainly a fine beginning for a new automotive trade policy.

We also need investment incentives of various kinds, particularly in the form of loans to enable capital expansion to take place and also to assist in re-tooling and other matters which are vital to the continuing development of the industry.

We should have a third-country duty remission of the kind we have with the United States which induces manufacturers to incorporate Canadian auto parts in foreign assembled vehicles, or even if the vehicles are assembled in Canada. Canadian assembly is of much less assistance to us than it would be if we not only had that assembly, but also a share of the parts production as well. Such a duty remission would undoubtedly be a considerable inducement to non-American automobile manufacturers to produce their parts in Canada.

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In addition, in my view, remission of duty to the big four automotive companies in excess of that earned by them according to the strict rules should be made conditional. We should not be in a position where the target needs rigidly to be achieved each year, but on the other hand, when the government does make a concession of that kind it should be upon conditions as has sometimes been the case in the past. I believe this should be a general policy. As a member from an automobile constituency I eagerly await the enunciation of a new automotive policy by the government.

I should like to turn, now, to a broader national question with which I have been associated this year. I refer to the subject of penitentiaries. I begin by saying we on the sub-committee have been highly pleased by the response to the report by experts in the field, by the public and by the media across Canada. I would add that I personally find the response of the minister to be most gratifying. I think his support for the

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report is very great and I have complete confidence that he will bring about its implementation. His official response to our report was in somewhat general terms but it was very positive and encouraging in tone. There was, perhaps, a little ambiguity in that response with respect to which precise recommendations he was rejecting and which ones he was deferring for further consideration. I have had this matter clarified with the minister's office and, without going into detail, I should like to put on the record of the House the numbers of the recommendations concerned so that they will be publicly available.

The recommendations of the sub-committee which the minister has rejected are as follows: 29, 33, 58, 60, 62 and 65. Those which have been deferred for further consideration are: 18, 21, 22, 24, 26 and 59. It is these latter recommendations, presently under consideration by an interdepartmental task force and to which the minister has still to announce his adherence, which are the heart of the report. I said from the time the report was presented on June 7 that the government should be allowed some six months in which to reply—we should expect an announcement to be given this calendar year but that the government should be given six months in which to make a response. We are now, of course, in the final third of that period.

There is already an inherent difficulty attached to the implementation of the report in the sense that basically the recommendations aim at the changing of attitudes, primarily on the part of the staff in the penitentiaries, and something of this kind may take many years, perhaps even a generation—a staff generation—to bring about. This being the case there is already a certain delay built into the recommendations themselves. There has to be. I would hope there would not be any further delay which would intensify this inherent problem through anything of an artificial nature with respect to the time frame of the response made by the minister and, indeed, by the government as a whole. We fully recognize that some of our recommendations, such as the one concerning the setting up of a fully independent penitentiary service, the crucial recommendation in our report, would require an answer from the government as a whole, not just from the minister. We look forward to getting a response before the end of this year.

I would mention briefly a judgment which was handed down this week in the Dodge case by Mr. Justice Keith of the Ontario Supreme Court. This is an extremely important decision which strongly reinforces the recommendations of the committee. According to that judgment, three Millhaven guards had used excessive force in October, 1972, while escorting a prisoner from one cell to another, and \$15,000 in damages was awarded against them, half of it representing punitive damages. This reinforces what the sub-committee had to say in its report. It establishes the irreducible character of justice which has a primary application to all men, whether guards or prisoners, in or out of prison. It is one of the things which those who are in prison do not lose—they do not lose the right to justice.

Some hon. Members: Hear, hear!