

XII *Labour Placement and Mobility:*

1. It is recommended that Canada's National Employment Service should be reviewed with the object of increasing its effectiveness.
2. It is recommended that steps be taken to facilitate the mobility of labour from one geographical area to another.

Further information on this subject can be found in **Appendix "J"**.

XIII *Seasonal Unemployment:*

The Association urges industry, governments at all levels and others concerned to provide as much winter work as possible.

Further views on seasonal unemployment are set out in **Appendix "K"**.

XIV *Immigration:*

It is recommended that Canada should continue to encourage immigration, giving special emphasis to the selection of immigrants with technical and professional qualifications and experience.

Further views of the Association on immigration are set out in **Appendix "L"**.

XV *Foreign Control of Canadian Industry:*

It is recommended that the Government should avoid any measures which would restrict the inflow of foreign capital for productive investment in Canada or which would discriminate against foreign-controlled enterprises operating in Canada.

A summary of the Association's views on this subject is attached as **Appendix "M"**.

Mr. Chairman, we express the hope that these views, suggestions and recommendations may be of value to you and your associates in assessing the requirements of the Canadian people. That, then, is our submission.

The CHAIRMAN: Thank you very much, Mr. McRae. Has anyone any questions?

Senator HORNER: May I just put this question in regard to your recommendation of no tax at all on exports? Would there not be a danger of that being taken by other countries as a dumping procedure? There would be a direct difference in the price at which the goods which we export are sold in Canada. If this recommendation was followed could we not be charged with dumping?

Mr. NEEDLES: Foreign countries consider the value of export shipments to be the value in the home market, so that the application of a tax incentive will not affect the selling price in the home market, and therefore, it will have no impact on our relations with the countries to which we export.

Senator LEONARD: What about the effect on GATT? Is it not a violation of GATT to give a special tax preference?

Mr. NEEDLES: No, because the tax preference merely applies to the home market to provide the manufacturer the opportunity of breaking even, or making a small profit. It makes it easier for him to manufacture for export. It does not change the price at which the goods go into the foreign market. The duty is based on fair market value.

Senator CROLL: Which countries are giving that incentive at the present moment?

Mr. FLYNN: There are four countries—France, Japan, Ireland and Jamaica.

Senator HORNER: I have just one more thought. We can assume that every country with which we are competing is trying to solve a similar