

Inquiries of the Ministry

Right Hon. P. E. Trudeau (Prime Minister): On the first part of the question, Mr. Speaker, the government is aware, of course, that the United States is free to act as it best sees fit. We have always felt that in this particular case it would not take that decision. There is no indication that it will take the decision to use countervailing duties on this particular bill. It is just a freedom of action reserved to itself by the United States government and we cannot quarrel with that. If the worst does happen and the hypothesis is realized—for the time being it is a hypothetical question, Mr. Speaker, but I did tell the opposition the other day that we have indeed contingency plans if the worst should happen.

Mr. Baldwin: As a statement to this effect was made by a senior American official this morning, does the Prime Minister not feel that it is no longer hypothetical and that this government should give some serious consideration to various alternatives?

Mr. Trudeau: That is exactly the point, Mr. Speaker. I told the Leader of the Opposition last week that we were giving serious consideration to eventual action if this precise method, or the length of operation of the surtax, called for additional measures.

Mr. Baldwin: Is the government aware of the report of the presidential commission headed by Mr. Tresizca delivered today—Mr. Tresizca is Undersecretary of State for Economic Affairs—that special arrangements with Canada with regard to such things as the auto trade pact and other matters should be reviewed and in many cases rescinded and that the whole issue of trade and economic affairs with Canada should be the subject of multilateral rather than bilateral arrangements, and does the government now feel that it should reassess its whole position in this regard?

Mr. Trudeau: The same answer, Mr. Speaker. We are assessing our whole position. We realize the grave consequences which might follow from the United States action if they embarked on a protectionist course permanently, but I repeat that these pronouncements are not government policy. We are reacting to the policy that has been established by the President of the United States and not to hypothetical suppositions by various people in that government.

EMPLOYMENT SUPPORT BILL—FORMAL NOTIFICATION
BY UNITED STATES OF POSSIBLE IMPOSITION OF
SPECIAL IMPORT TAXES

Mr. David Lewis (York South): I have a supplementary question, Mr. Speaker. In view of the Prime Minister's answer may I ask him whether the government of Canada was informed officially of the statement of the Undersecretary of the Treasury in Washington? Has the government had any formal information from Washington as to their approval or disapproval or of any action they intend to take with regard to Bill C-262?

Right Hon. P. E. Trudeau (Prime Minister): I could not say, Mr. Speaker. As hon. members know, the two ministers mainly responsible are in Toronto meeting with the Japan-Canada ministerial mission. I was not around here

on Friday and Saturday because I was touring certain parts of Ontario, so I cannot answer for the ministers. I am sure they will be in a position to give an answer tomorrow.

* * *

LABOUR RELATIONS

IMPLEMENTATION OF UNITED STATES WAGE FREEZE BY
UNITED STATES-OWNED CANADIAN CORPORATIONS

Mr. David Lewis (York South): Mr. Speaker, I have a further supplementary question in the same area but on a different aspect. In view of the fact that there is also a report from Washington that the importation of the United States wage freeze into Canada by Douglas aircraft and Chrysler Corporation was made without the support or sanction of the American authorities and in view of the fact that there has been a strike vote at Douglas supported by some 6,000 employees, or an overwhelming majority, would the Prime Minister inform the House whether the government has made representations to those two companies to abandon their present position with regard to the wage freeze and, if not, something will be done without delay?

Hon. Bryce Mackasey (Minister of Labour): Possibly I can answer this question because of the labour implications, Mr. Speaker. I go pretty well from press reports, but at first indication I see no federal law that has been contravened by the actions of these two companies. In the case of Douglas Aircraft, where they are now in the process of collective bargaining, if the company is not bargaining in good faith on the basis of its ability to pay there are provisions in the Ontario Labour Code under which the union can claim that the company is not bargaining in good faith. In the case of the auto workers, I do not know whether they are covered by collective bargaining. In any event, I think both the Acting Prime Minister on Friday and the government of the United States made it very clear that they take a very dim view of the policy of these companies.

Mr. Lewis: I know, of course, about the law in Ontario, and the Chrysler employees concerned are not covered by a collective agreement. As the Minister of Labour ought to know if he does not, they are administrative and managerial staff. I am asking whether the minister or some other member of the government will convey to these companies the federal government's disapproval of the importation into Canada of foreign policies and foreign laws?

Mr. Mackasey: Mr. Speaker, the Acting Prime Minister did precisely that on Friday in his well publicized statements both in the House and outside the House that we take a dim view of this position if it is based on President Nixon's directive and not on the normal forces at play in free collective bargaining.

Mr. Speaker: The hon. member for Edmonton West on a supplementary question.

Hon. Marcel Lambert (Edmonton West): It is not supplementary to this series of questions, Mr. Speaker. I want to