

do at present. As a condition, before they can continue with a certain level of imports of raw materials from Canada, they would have to take an increasing percentage of our manufactured goods.

I think that in terms of the obvious need for our raw materials, amounting in some cases to the point of desperation in the United States, we are in a very strong bargaining position to make exactly this kind of precondition. I think, frankly, that that would do more to increase exports of manufactured goods from Canada and therefore would increase jobs in Canada than would the creation of ten Export Development Corporations in this country.

While I am on the point of the kind of preconditions that we should make to the export of raw materials to other industrial nations, I should also like to raise the question of the kinds of countervailing action which certain countries have taken, particularly the United States, with regard to Canada as a measure of discouraging our industrial development which would appear to them quite realistically to challenge one day their own industrial supremacy. I refer to the recent action of the United States in the Michelin tire case, in which situation a countervailing duty was imposed against that corporation.

I will not go into all the ramifications of the Michelin case, but one thing is quite clear. I think that that action by the United States contravened the GATT agreements, but also equally clearly, when the ruling comes down eventually, they will be able to bring forth a clause which allows them to opt out of whatever GATT decision is made because of previous economic policies established in their country prior to signing that agreement. There is that escape clause in GATT which the Americans will use, and I am sure the minister knows that very well.

The point I am raising is that the United States, vis-à-vis industrial countries around the world, is embarking on a major trade war policy. Now that Mr. Nixon, hopefully, has resolved that horrible war in Viet Nam he will involve the greater part of the energies of his government in this direction. Nowhere was this more clearly indicated than in the DISC legislation, and nowhere was the supine attitude of this government more clearly seen than in their reaction to the DISC program.

It seems to me that it is time the government, which during the course of this parliament has had it pretty soft, took some action. You will recall that during the concluding weeks of the last parliament scarcely a day went by in parliament without an expression of concern from members of the opposition regarding the effects of the DISC program. So far little has been said on either side of the House about the effects of this. I for one am quite concerned. There must now be established in Canada, or at least affecting Canada, some 1,500 or so DISC corporations exporting into our country. I know that in the automotive industry alone three companies have set up DISC and there are countless others in all other sectors of our economy.

The point I would like to make is that if the Minister of Industry, Trade and Commerce takes seriously his role as minister of encouraging our exports, he must also take seriously his role as minister of being concerned with the export policy of other countries into Canada. Specifically,

25714-59

### *Interprovincial Transportation*

in this instance I think the government is obliged, first, to make known the list of DISC companies exporting into Canada and, second, to have the Department of Industry, Trade and Commerce do a case study on each of them to show how the companies benefiting by this export subsidy provided by the United States in terms of their sales relate this to their export price in Canada.

Furthermore, in each and every case where a company is exporting into Canada under DISC at a price lower than before, thus taking advantage of the DISC subsidy offered by the United States, the government of Canada should levy a countervailing duty. This seems to me to be entirely reasonable and to entirely fit the logic of the Michelin decision in the United States. If they regard the Michelin financial assistance provided by the federal government and the province of Nova Scotia as a form of export subsidy, to understate it by about 1,000 per cent, the DISC program is exactly the same kind of program in the United States.

To protect our domestic industry both in terms of production for the domestic market and for the export market, I say that the government of Canada must now levy a countervailing duty on all of those exports coming under DISC where DISC has had an effect on improving their competitive position in the Canadian market.

\* \* \*

### BUSINESS OF THE HOUSE

**Mr. Faulkner:** Mr. Speaker, with the indulgence of the House may I clarify the business of the House for Monday?

**Some hon. Members:** Agreed.

**Mr. Faulkner:** The first item of business on Monday will be the report stage of the Unemployment Insurance Act amendment, Bill C-124. On completion of that item we will proceed with supply.

**The Acting Speaker (Mr. Boulanger):** It being four o'clock p.m., the House will now proceed to the consideration of private members' business as listed on today's order paper, namely, notices of motions, public bills, private bills.

• (1600)

### PRIVATE MEMBERS' MOTIONS

#### TRANSPORTATION

#### REQUEST FOR NATIONAL POLICY TO FACILITATE INTERPROVINCIAL TRUCKING

**Mr. Ken Hurlburt (Lethbridge)** moved:

That, in the opinion of this House, the government should give immediate consideration to the development of a national policy with regard to truck transportation that will allow for the move-