

Employment Support Bill

The American administration has published a list of agricultural products which are exempted from the 10 per cent tax imposed on American imports since the 15 of August. In this list, where some one hundred products appear, one finds the following exemptions—we shall see how interesting this is—all fresh vegetables. But how many of these do we export to the United States? There is no problem in exempting something that we do not export. We import rather than export these, namely, tomatoes, lettuce, carrots, melons and potatoes. We export some potatoes, but not as many as we could have done if we had enjoyed more comprehension from our neighbouring country. All fresh and dried fruits, such as oranges, grapefruits, lemons, olives, dates, bananas, peaches, pears, apples and cherries, are not subject to the surtax, but we do not produce any, so there is no advantage for us.

I can understand why the Americans have exempted from the surtax the different groups of agricultural products that I have just mentioned, since they export more to Canada than they import from us and this exemption is therefore to their advantage and it has only one object which is not the protection of Canadian agriculture.

This list of products also includes live cattle and fowl, fresh eggs, in bulk or not, wheat and feed grains as well as seeds.

On the other hand, and this is interesting, the 10 per cent surtax will apply to the following agricultural products: carcasses and cut meat, pasteurized milk, processed products like butter, cheese, ice cream, dairy products, cotton fibres, flour, cigarettes and, in general, all agricultural products not in their raw state and which have been processed.

● (5:00 p.m.)

Discussions will have to take place afterwards in order to determine what processed products are. Experts will have to be consulted to ascertain if a certain product sold has been processed. It will be that silly.

So, certain Canadian agricultural products which previously could be exported to the United States will be affected by this 10 per cent surcharge and that will not help the Canadian industry and increase the net annual income of farm workers.

We also know that hog prices are now lower in the United States. Therefore, Canadians would not benefit from hog exports at this time. In my opinion, this 10 per cent tax will cause new problems to hog breeders who already experience very difficult conditions. In fact many of them are going bankrupt or are close to it precisely because with production costs rising they get less than what it costs them to produce. They are forced into deficit. That is why the minister received representations from producers who asked the government to take special measures in order to guarantee the people of the industry a fair share of the national revenue through higher prices for hog and lower ones for fertilizers and feed, a reduction I have often asked of the government.

This is also a production that would normally yield a great deal, at normal prices, to the producers concerned.

[Mr. Lambert (Bellechasse).]

At the present time, this is causing them some problems. We must not abandon them. Indeed, this class of products should also benefit from the discount I mentioned a moment ago.

Another sector, the manufacturing industry, interests me greatly. It will be affected by the 10 per cent surtax imposed by the Americans: I am referring to the furniture industry. Several of these plants are established in my riding and they export to the United States part of their production. They would be quite happy to increase their sales on the domestic market which would be possible if this discount policy was applied to the purchase of Canadian furniture.

The same problem also applies to footwear manufacturers in the Quebec area, where many such factories are now considerably affected because of the government's failure to protect them against unduly large imports of goods from abroad, forcing them to reduce their production and lay off labour, increasing employment.

Last week, representations were addressed to me in this regard and I promised those people my co-operation in suggesting that the government take appropriate steps to protect their industries.

In order to replace exports lost as a result of the United States surtax, would it not also be advisable to accelerate restructuring and streamlining of the furniture industry, as I mentioned a while ago, in order to manufacture precisely furniture likely to please Canadians and which, in view of the discount the government might order, would enable Canadian consumers to purchase domestic products. This would in no way harm the Americans, since we would not be giving them a slap in the face, by automatically retaliating and introducing measures as tough as their 10 per cent surtax. We could remain good friends, while at the same time being free in Canada to cover our houses with asphalt, sheet-metal, or any other material we chose, as this is a purely internal matter.

Therefore, an \$80 million fund meant indirectly to subsidize our southern neighbours might temporarily shield our industries from disaster. However, I myself am of the opinion that we should, first and foremost, protect the interests of the workers and the consumers.

Why should the government not give it a serious trial by ordering a 10 to 15 per cent price discount to encourage the consumption of Canadian products, and this would indirectly contribute to supporting employment? This would really mean employment support. It would be realistic and could produce tangible results.

A measure of that nature would be protecting the worker, the industry and the consumers in Canada. However, for this discount to really do what it would be meant to do and regulate supply and demand, I suggest that this compensated discount to the consumer, whose benefits will reach the consumer, be financed through new lines of credit from the Bank of Canada, aimed at serving the public weal and distributed according to common sense and the economic concepts of a brilliant Scottish engineer by the name of Major Douglas, who is the father of Social Credit. This is the kind of policy