

Employment Support Bill

in employment people who are now working and are affected by the surcharge. However, it does not, nor is it expected to, do anything about putting those presently unemployed back into the work force. This is an important point.

Mr. Danforth: Right on.

Mr. Cafik: The reason I raise the point at the moment, Mr. Speaker, is because this bill sets a pace and a tone and creates a precedent which I think is very important. First of all, it seems to me to imply that the Department of Industry, Trade and Commerce is willing to look at our unemployment problems, something I am glad to hear. Second, it establishes a precedent—that the government is willing to give money to maintain employment. I do not think it would be much of a step after that for the government perhaps to give money in order to create or stimulate new employment. I have suggested this in the House on two or three occasions, and personally to the ministers concerned.

• (8:30 p.m.)

I think first we must introduce a program which I would term an employment stimulation fund. Under that program we could give loans, grants or a combination of the two directly to industry, in direction relationship to the number of new people that the industry could put on its payroll, provided, of course, that the industry's activities were viable and meaningful. I hope that this bill will not only help those who are threatened by unemployment as a result of the surcharge, but that it will also serve as a useful precedent in spurring the government on to do more for those who unfortunately are unemployed today.

Mr. Broadbent: Mr. Speaker, would the hon. member permit a question now?

Mr. Cafik: Mr. Speaker, by all means.

Mr. Broadbent: Mr. Speaker, the hon. member had the courtesy to refer to an amendment that I presented yesterday. Would he not agree that the purported concession that the minister perhaps would have been inclined to make with respect to my amendment in terms of quarterly reports to Parliament would not have included how much money particular firms were to be given, would not have included levels of employment before and after the grants were made to those firms and, therefore, would not have provided the essential information which I deemed to be necessary in my amendment?

Mr. Cafik: Mr. Speaker, in response to that question I would say, first of all, that the minister in the House—I was present at the time—indicated that these quarterly reports would be made. In the committee he indicated quite clearly, and I know the hon. member was present at the time, that levels of employment before and after grants would be contained in this report. There would be no reference to levels of production. That was part of the hon. member's amendment. I have cited my reasons for being opposed to such reference and I believe that the minister feels the same way. He would give all the relevant pieces of information that I believe the hon. member wants, save one. The hon. member apparently thought it essential to know which firms were getting how much

money, in specific detail. I, frankly, do not consider that information, interesting though it may be, to be directly relevant to whether this legislation is achieving its objective.

Mr. Alexander: Answer the question.

Mr. Cafik: The minister indicated in committee, and I believe that this is in itself a substantial answer to the question, that any hon. member is free to contact the department with respect to loans made under the act, and specific information will be given as to details and firms. Nevertheless, so far as a report to the House of Commons is concerned, that will not be done.

Mr. Gordon Ritchie (Dauphin): Mr. Speaker, in rising to speak on the amendment proposed by the hon. member for Regina East (Mr. Burton), I sympathize with the purpose behind the amendment. He seeks to send the bill back to committee, the idea being that we should allow the agricultural industry to participate to a greater extent in the benefits of the legislation. This suggestion was brought forward in committee and turned down, and in the report stage discussion it was again brought forward. I understand that Mr. Speaker found difficulty in accepting suggestions put forward. Therefore, it seems to me there is no point in referring this bill a third time to the standing committee, since nothing more will happen to it.

Some hon. Members: Hear, hear!

Mr. Ritchie: I hope that the bill, which I find not to my liking but which accomplishes a certain amount, will pass tonight. Since the surtax was imposed by the United States certain courses of action by the United States and other trading nations of the western world have become clearer. This bill points up a lack of any real understanding by this government of problems that lie ahead. The government completely fails to understand what might be done.

At this time it seems obvious that President Nixon likes the 10 per cent surcharge and it will not come off until international currencies are realigned in favour of the United States economy. The President and Mr. Connally seem to have been very blunt about this. Pleading our case will not work, and the Americans seem quite willing to suffer economic retaliation against them. Mr. Nixon's protectionist policies are proving to be more popular at home as each day passes. Mr. Nixon is nothing if not a political president. Only when President Nixon and John Connally are convinced that the policy has done its job and rectified the American balance of payment will the surcharge be removed.

Perhaps Canada is the unfortunate bystander in the struggle to have Japanese and European currencies realigned upward in relation to the United States dollar, which must be done to relieve the massive imbalance of the American balance of trade. In any case, we cannot fault the Americans for being unwilling to continue to operate under such a high imbalance of payments. Most of all, we cannot fault them for being reluctant to run their economy for the benefit of the rest of the world.

Since 1967 Canada has been moving from a deficit position in merchandizing trade with the United States. We registered a surplus of \$182 million in 1968, \$371 mil-