

*Inquiries of the Ministry*

**Mr. Stanfield:** Do I gather that the impression that is abroad that the government has suggested another GATT round is not well based, is not correct?

**Mr. Pepin:** Well, Mr. Speaker, our views were clearly expressed in the report I made recently in the House on the EEC enlargement. So I presume they are well known in Europe now. These are not new ideas on the part of the Canadian government. I spoke that way to political leaders when I was in the U.K. and Europe, and the Secretary of State for External Affairs has done the same. Whether these ideas will ever be elevated to Kennedy Round status I do not know, but we are working toward the objectives indicated.

**Mr. Stanfield:** Mr. Speaker, is the minister in a position to tell the House what the attitude is of the administrations of the two major trading units concerned, that of the United States and that of the Common Market, toward this suggestion? Has the minister received any response? Can he indicate very briefly what the response is?

**Mr. Pepin:** Mr. Speaker, these views were obviously made known to the two parties the hon. member is talking about. Each one of them, I may say, has problems of its own. All of us know that at this moment the Europeans, dealing only with that group are so involved in the process of enlargement that they have only limited time they say to give to our suggestions with respect to a major negotiation in GATT. We have expressed the view that this would not be the proper approach and that it would be in their own long term interests, as well as ours, to devote some of their attention to the suggestions we have made.

**Mr. Stanfield:** Do I take it that the minister is not in a position to tell us that the initiative he has taken has received any positive response or endorsement or will receive any support in the immediate future from either the United States or the Common Market?

**Mr. Pepin:** No, Mr. Speaker, I could not use the word "endorsement" but we are still working very hard on it, and the ideas have supporters everywhere in the world.

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**LABOUR CONDITIONS****ALLEGED LAY-OFFS IN CANADA BY FOREIGN-CONTROLLED CORPORATIONS TO PROTECT JOBS IN UNITED STATES**

**Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands):** May I direct a question to the Minister of Finance arising out of indications that the top economists in the government service have submitted a report claiming that one of the major causes of unemployment has been lay-offs by foreign-controlled corporations in this country and indicating that there is a strong suspicion that these lay-offs have been undertaken to protect jobs in the United States. Has the minister seen or received such a report from the top economists of the government?

[Mr. Pepin.]

**Mr. Stanfield:** Who are they?

**Hon. E. J. Benson (Minister of Finance):** No, Mr. Speaker, and I think the premise is a natural NDP premise.

**Mr. Douglas (Nanaimo-Cowichan-The Islands):** Mr. Speaker, may I ask the Prime Minister whether any department of the government has received such a report or whether the Prime Minister himself has received such a report?

**Right Hon. P. E. Trudeau (Prime Minister):** No, Mr. Speaker, I have not heard of any such report being received by any department. I shall ask the ministers whether they have received such a report, but when I saw the news item I thought it looked like a bit of fantasy rather than reality.

**Mr. Douglas (Nanaimo-Cowichan-The Islands):** Mr. Speaker, may I ask the Minister of Finance whether any study is being made of the indicated lay-off of over 5,000 persons by major United States concerns in this country? Is any inquiry being made into whether these lay-offs were necessary because of the situation in Canada, or because of the situation in the United States?

**Mr. Benson:** Mr. Speaker, I think this is all a dream of Stephen Lewis.

**Mr. Lewis:** His dream is your nightmare.

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[Translation]

**AGRICULTURE****DAIRYING—ALLEGED ABOLITION OF PENALTY ON PRODUCTION IN EXCESS OF QUOTA**

**Mr. Adrien Lambert (Bellechasse):** Mr. Speaker, I wish to direct a question to the Minister of Agriculture.

According to an article which appeared in an Eastern Townships newspaper, Quebec milk producers, and probably all producers in Canada, will not be subject to the overproduction tax of \$1.25 per cent starting December 1.

Can the minister say whether the government's dairy policy has been altered and whether he has issued a statement in this regard?

[English]

**Hon. H. A. Olson (Minister of Agriculture):** Mr. Speaker, there will be a very important change in the holdback on the subsidy support program as soon as the provinces, particularly Ontario and Quebec, have a market-sharing program in place and functioning. We are hopeful that this will be very soon. As soon as it is there will be some important changes in the holdback.

[Translation]

**Mr. Lambert (Bellechasse):** Mr. Speaker, I have a supplementary question.

Can the minister say whether the tax of \$1.25 is to be repealed when these regulations come into force and, if so, whether this measure will apply retroactively from April 1, 1970.