

Inquiries of the Ministry

league, the Minister of Industry, Trade and Commerce, say that the proposals from the United States that have been under discussion have been in the newspapers. They are very well known. A great deal of publicity has been given to them.

Mr. Stanfield: Mr. Speaker, may I ask the Secretary of State for External Affairs what is the proposal of the United States to Canada with regard to the solution of the monetary and trading problems facing it, and particularly what is the proposal with regard to monetary problems?

Mr. Sharp: Mr. Speaker, I was not referring particularly to the monetary problems when I was referring to the statements made by my colleague, the Minister of Industry, Trade and Commerce. If I had been I would have referred, of course, to the statements made by the Minister of Finance who has made it quite plain that Canada believes that the present policy of the Canadian government of having a floating exchange rate meets all the requirements.

Mr. Stanfield: Mr. Speaker, as the Secretary of State for External Affairs has indicated that he discussed the question of multilateral negotiations, can he tell the House what contribution it was indicated to him Canada would be expected to make toward such a multilateral solution? What contribution did the EEC indicate it might expect from Canada?

Mr. Sharp: Mr. Speaker, I did not suggest to the European Common Market what their policy should be in relation to the requests of the United States. Neither did Mr. Malfatti presume to offer me advice.

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THE CANADIAN ECONOMY**STEPS TO MEET THREAT OF UNITED STATES DISC LEGISLATION**

Mr. John Burton (Regina East): Mr. Speaker, I wish to direct a question to the Prime Minister. In view of the fact that the President of the United States has signed the bill concerning the DISC plan and the situation is not hypothetical any more, would the Prime Minister inform the House what steps the government intends to take to deal with this threat to the Canadian economy as it exists now?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, as the hon. member must have noticed, the DISC plan was finally adopted in a form different from the original proposal. We are now looking at the possible effect of the modified DISC plan and we will see in what way we might have to adjust any contingency plans to meet any effect of the modified DISC plan.

Mr. Burton: Can the Prime Minister indicate to the House when the government will be in a position to announce such contingency plans?

Mr. Trudeau: Mr. Speaker, we will want to announce them when we judge the time, in terms of its effect on the [Mr. Sharp]

Canadian economy, has arrived at which we must announce them.

ESTIMATE OF EFFECTS OF UNITED STATES DISC LEGISLATION—CONSULTATION WITH PROVINCES, BUSINESS AND LABOUR

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, has the government made any estimate of the effect that the DISC program, now that it has been adopted, will have on the Canadian economy, as the government has obviously been studying the various propositions that have been put forward and must have some idea of the effect that these proposals, one of which has been adopted, will have on our economy?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the Minister of Industry, Trade and Commerce indicated last week that the effects of the DISC plan would be very varied according to the various hypotheses under which it would be applied. Now that they appear to have cut the effect of the operating aspect of DISC in half, it will probably have half that effect.

• (2:50 p.m.)

Mr. Hees: Has the government been in consultation with representatives of the provinces, business and labour to work out with them the most effective measures that could be adopted by this country to counteract these DISC measures?

Mr. Trudeau: Mr. Speaker, the House knows that we have had meetings with the provinces, business and labour in recent weeks, and we discussed the American measures and their effect on Canada. However, these sectors of the economy do not have to work out their proposals in as concrete and effective a way as the federal government does. Therefore we have been seeking suggestions from them, but I cannot say that they were extremely precise.

UNITED STATES DISC LEGISLATION—POSSIBLE SHIFTING OF PRODUCTION TO UNITED STATES

Mr. Lincoln M. Alexander (Hamilton West): I have a supplementary question, Mr. Speaker. I should like to know if the government intends to canvass the multinational corporations situated in Canada in order to ascertain their intentions regarding the DISC proposal and if there is to be a possible shifting of production from Canada to the United States? Has the government any intentions in this regard?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I would have to defer to the Minister of Industry, Trade and Commerce who, personally and through his department, has been having consultations with various sectors of industry. I will refer the hon. member's question to him.

EFFECTS OF UNITED STATES DISC LEGISLATION ON AGRICULTURAL EXPORTS AND IMPORTS

Mr. A. P. Gleave (Saskatoon-Biggar): Mr. Speaker, may I direct a question to the Minister of Agriculture. In view