

That Bill C-78, to provide for the payment of benefits to laid-off employees and to amend the Canada Labour Code, be amended in Clause 3 by striking out lines 39 and 40 at page 2 and lines 1 and 2 at page 3 and substituting the following therefor:

"trial restructuring; and".

**Hon. Chas. L. Caccia (Minister of Labour)** moved:

Motion No. 4

That Bill C-78, to provide for the payment of benefits to laid-off employees and to amend the Canada Labour Code, be amended in Clause 3 of the French version by striking out line 42 at page 2 and substituting the following therefor:

"de l'importation, soit d'une restructuration indus-".

**Mr. Kristiansen:** Mr. Speaker, I would like to address some comments to Motion No. 3. Our amendment, Motion No. 3, would amend Clause 3 of this bill by striking out lines 39 and 40 at page two and lines one and two at page three and substituting the following therefor: "Trial restructuring; and". Clause 3(2) reads in part as follows:

An industry may be designated generally pursuant to Subsection (1) if the governor in council is satisfied that

(a) the industry in Canada generally is undergoing significant economic adjustment of a non-cyclical nature by reason of import competition or by reason of industrial restructuring—

All Motion No. 3 would do would be to remove from the subclause the words:

—implemented pursuant to a policy or program of the Government of Canada to encourage such restructuring—

In committee, reasons for this change were put forward. The example of the forest industry was given. Certain restructuring is taking place in various parts of Canada. If we were to leave the bill as it is before us, we might bring about gross discrimination against the industry in one part of Canada as opposed to another. Under the forest industry modernization program, the federal government and provincial governments are giving hundreds of millions of dollars to companies in the pulp and paper industry in Atlantic Canada, in the province of Quebec and in the province of Ontario. That is clearly a policy of the Government of Canada and would be seen to be so according to the text of this bill. In relation to the pulp and paper industry in western Canada, the private sector has said that this is the private sector's job, that it does not need the government to tell the industry in western Canada to do what should be its job, and that it would rather have the government spend its money looking after its business, which is to improve stock and forest resources so that those companies will have something to work with. One is not necessarily superior to the other. It is just that the industry in western Canada has taken a different point of view as to what its proper role is.

This bill stipulates the policy of the Government of Canada. It would be grossly unfair to discriminate against an entire region of the country simply because the industry in the west has a view of its own obligations and duties different from that of the central and eastern part of the country.

As the bill reads now, for there to be a general designation of an industry, there must be a significant economic adjustment of a non-cyclical nature, which already tends to make worse many of the major upheavals within the resource industries of the country. Some would say this provision is a further

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discrimination against western Canada, or, when it states "by reason of import competition", why only import competition? Many people will have even more cause for suspicion of regional discrimination if import competition, industrial restructuring or industrial chaos as a result of import competition is the cause of government assistance. However, if there is restructuring because of export competition, which can happen suddenly as a result of a policy of a government far removed from North America, or perhaps the government to the south of us, we might see gross disruptions and upheavals in the economy and in plants and operations from one end of the country to the other. If that should happen—and it may well happen if the Americans are silly enough at their hearing in Portland next month to put tariffs on the import of Canadian lumber—this legislation would be powerless to come to the assistance generally of the Canadian forest industry simply because of this wording.

Some hon. members may say this matter can be resolved because the bill says, "by reason of industrial restructuring". If that was all it said, they would be correct, but there is a limitation in the bill because it says industrial restructuring only if it is "implemented pursuant to a policy or a program of the Government of Canada". The minister has argued that somehow it would be an amputation if we were to imply that it is not a policy of the government the government could not go ahead. But how can something be considered an amputation if it extends to the minister authority he does not have within the confines of this bill? It allows him to exercise more flexibility in recognizing a serious situation with which he, the government, and all of us may well want to deal. However, the minister would have his hands tied in terms of general designations under the bill.

● (2120)

It is interesting to note that Clause 3(3) dealing with regional designations, reads as follows:

An industry may be designated with respect to any region of Canada pursuant to Subsection (1) if the governor in council is satisfied that

(a) the industry in that region is undergoing significant economic adjustment of a non-cyclical nature;

That clause does not mention whether it must be in line with the policy of the Government of Canada. If the minister is able to exercise flexibility and his right of political choice to designate an individual region without showing the restructuring flowing from the policy of the government, why can he not do that in the case of an industry? When there is a difference in the two clauses, we must ask why that is so. In the absence of a clear and definitive answer, the peoples' imaginations will soar. We have not been given a logical reason. If government policy is not necessary in a regional sense, why is it necessary in a national sense? This will allow the government and the minister the necessary flexibility to provide assistance whenever and wherever it is needed in the country, where circumstances warrant. We hope that the minister and the government will think again and not get hung up on pride and will seriously consider supporting the amendment which my colleagues and I have placed before them.