

Employment Support Bill

in it, would that change the legislation from being a corporate welfare assistance act? I cannot see how it would. I suggest there is a degree of inconsistency in the logic of the NDP in this particular case.

The primary purpose of the bill is to maintain employment. In committee, the hon. member for Oshawa-Whitby (Mr. Broadbent) suggested an amendment, one which was not moved in the House, providing for a regulation stipulating that the level of employment must be retained at a minimum of 80 per cent. Initially, many members of the committee thought this really was not a bad idea, but upon reflection we felt that by stipulating 80 per cent we would be saying to the board that it would be quite acceptable if the level were only 80 per cent. Frankly, Mr. Speaker, all members of the committee would like to see employment maintained at 100 per cent of the pre-surcharge level.

An hon. Member: Why didn't you move an amendment?

Mr. Cafik: If the hon. member wishes to ask a question when I have finished speaking, I will be glad to answer it. But may I point out in reply to his question that it is quite evident that if the board were burdened with stringent obligations regarding the exact level of employment, we would be tying its hands and frustrating the purposes of the bill.

I wish to give a specific example of what the proposed two-thirds payment to firms means in dollars and cents. I take the hypothetical case of a firm doing \$1 million worth of business, \$500,000 worth of its production being exported to the United States in base year 1970. Let us assume that 50 employees of the plant are involved in the production of the exported goods. The surcharge on \$500,000 would be \$50,000. The maximum allowable grant, without looking at the escape provision in clause 15, would be \$33,000. Presuming that the firm is going to maintain the previous level of employment, it will have to retain 50 employees, and presuming the cost of each is \$6,000 a year, it would cost the firm \$300,000 to keep those people on the payroll. From the government that firm would receive, through the provisions of this bill, the large sum of \$33,000. That does not strike me as being some kind of corporate welfare assistance act.

I listened as carefully as I could to the hon. member for Regina East, and if I heard him correctly—I shall apologize if I am wrong—he said that when the Canadian dollar was floated the cost of our products bought by consumers abroad increased, and the NDP at that time had suggested that help be given to industry to offset this difficulty. If they believed it ought to have been done, then why do they not believe it is advisable to do it now? Why do they feel that such help given today is a welfare program for corporations, but at the time when it was only the germ of an idea in their minds they felt it was good and was consistent with their philosophy? I suggest there is a degree of inconsistency in their arguments.

I wish to refer to the speech made earlier today by the parliamentary secretary. I congratulate him and the Department of Industry, Trade and Commerce for going such a long way toward meeting the NDP amendment put forward by the hon. member for Oshawa-Whitby, by announcing that the government is willing to give reports to the House of Commons on a quarterly basis rather than

once a year. I think that is a reasonable response to the request for monthly reports sought by the NDP amendment.

After the hon. member for Oshawa-Whitby had proposed his amendment in the committee, I asked the minister if he was willing to make detailed information available to the House of Commons and yet at the same time try to protect the element of confidentiality which he believed was so important. The amendment sought the names of specific firms receiving benefit. In his reply the minister indicated that he was willing to give the House of Commons details in terms of the number of grants made under the bill, the number of firms that received those grants, and facts in relation to the level of employment prior to and following passage of the act.

I believe that met the primary thrust of the argument put forward by the hon. member for Oshawa-Whitby. It was a good argument and I agree with the hon. member that we must be in a position to judge whether the legislation is being administered properly and is achieving the desired objective of maintaining employment. I believe that the government's intention to make information available on a quarterly basis, and in the terms outlined, will allow us to judge whether the act is being administered so as to achieve the basic objective of maintaining employment. I congratulate the department, the minister and the parliamentary secretary for giving such serious consideration to the matter.

• (8:20 p.m.)

It has been mentioned on numerous occasions that these grants will be available to foreign-controlled industries. I can understand that argument in respect of the 13 or so programs under the Department of Finance; I think very good arguments can be put forward that it should not be done in individual cases. But the thrust of this legislation is to maintain employment, and it seems to me that an employee working for a foreign-controlled firm in Canada is still an employee and he still wants his job as much as a man working in a neighbouring factory which might be Canadian controlled.

Mr. Rose: That is a good point.

Mr. Cafik: The objective of this act is to maintain employment, not to deal with the question of foreign control. I grant this is a very important question and one on which I feel very strongly.

Mr. Rose: Which way?

Mr. Cafik: In relation to this bill, however, I think it is folly to make a distinction between foreign control and domestic control in relation to Canadians working in Canada.

Some hon. Members: Hear, hear!

Mr. Rose: That is a good point.

Mr. Cafik: The hon. member for Kent-Essex (Mr. Danforth) spoke in this House today and said this legislation is a type of unemployment insurance. I think that is stretching the imagination pretty far. If we had wanted to put these people on unemployment insurance and take no action as a result of the American surcharge, it would