

Employment Support Bill

spite of the rather humiliating odyssey of the Minister of Finance and the Minister of Industry, Trade and Commerce. The government sent the Minister of Finance and the Minister of Industry, Trade and Commerce to Washington to pass the hat. They did not even get the hat back. When he came back after that trek, the Minister of Finance was reported in the press as having said that the United States might have had to resort to less extreme measures had it managed its own affairs as well as Canada. It seems to me that the Minister of Finance came back from Washington not only empty handed but empty headed.

I do not think I should be too hard on the Minister of Finance because he was off taking a properly earned vacation when this all developed. I think he was briefed by the Acting Prime Minister when he came back and was sent very quickly to Washington. I understand the Acting Prime Minister has a unique talent for unfocusing issues, a talent so unique that he is reputed to have in his office a pencil blunter. In other words, the Minister of Finance, after being briefed by the Acting Prime Minister at the time, had what they called a full and frank discussion but got nowhere.

I could go on teasing the minister, but I said at the time the trouble developed that the Prime Minister of Canada ought to have taken up this matter with President Nixon, not as a suppliant with cap in hand but as the representative of Canada which is not only the United States' best customer but also its foremost supplier of raw materials. I said also that I would associate myself as the Leader of the Opposition with the Prime Minister in the presentation of that case to show the United States that Canadians are firmly united in deploring the action taken by the United States government. In his wisdom the Prime Minister decided not to accept that offer, and that is his responsibility. But now I tell him and the government that it is up to us and the government to finally work out Canadian policies for our relations with the United States. This will be more difficult in the absence of the Gray Report on foreign ownership. We are still awaiting this document, although I must say we are becoming rather tired waiting. In any case it is time for us in Canada to work out the direction in which we wish to go and the goals we want to achieve in our relations with our southern neighbour. We can no longer be satisfied with an unintelligent ad hockery that has led us to our present sorry circumstances.

• (4.10 p.m.)

What should we be trying to do at the present time? Of course we should be trying to get rid of the United States surtax just as soon as possible. I have said that the Prime Minister should take this up directly. In other words we should deal with Washington at a higher level than we have. Certainly we should initiate multilateral efforts to persuade the United States to drop the surtax as quickly as possible. We all know the risk of retaliation which exists so long as the United States has this surtax in effect. We all know what would be the result of a trade war or retaliation by the European Common Market and other trading areas. We know what suffering there could be in our own country. Thirdly we have to drop the ad hockery or nit-picking in respect of the United States. We

[Mr. Stanfield.]

have to develop policies which ensure us access, not just to the markets we are discussing today which will be affected by this surtax. We must ensure that we have a fair share of the United States market for manufactured goods. We must work for a level of our Canadian dollar that will give our export and general trade an opportunity to expand.

We understand that later on today the Minister of Finance is to make a statement. I do not know what kind of statement it is.

An hon. Member: A statement on the state of the economy.

Mr. Stanfield: Well, let us have an honest statement on the state of the economy. It may be coming, but let the minister tell us now frankly what he or the government forecast concerning the rate of unemployment this fall and winter. Let him tell us what the outlook really is. I said last June that the Minister of Finance's budget was inadequate. In the light of what has happened since then I say it is virtually irrelevant. We now need comprehensive measures in this country to face the unemployment which exists and which any honest man admits will develop this coming winter unless this government does something effective about it. I do not know what the Minister of Finance intends to say, but I say to him the kind of evasive statements he has made in the past with regard to the outlook and the complacency he has exhibited with regard to our economy, are unacceptable to me, are unacceptable to my colleagues in the House and I am very certain are unacceptable to the people of Canada who really understand the problems. We want to know what the outlook is. We want to know what the targets are. We want to know what policies this government intends to pursue.

Some hon. Members: Hear, hear.

Mr. Stanfield: There are many measures that can be suggested the government should adopt. One is it could stimulate the domestic market with further tax cuts along the lines I have been suggesting throughout this year. There is stimulation in a practical way, in conjunction with the provinces, in respect of winter employment in this country. Another thing, among others which must be done, is that the government must meet with the provinces and make certain that the provinces have the necessary funds to meet the welfare payments that will rise—they will rise anyway—in a very large way unless this government takes effective measures. So, let the Minister of Finance today tell us frankly what the government sees, and tell us frankly what his government proposes to do.

Mr. Hees: Let him come clean for once. That is all we ask—just once.

Mr. Stanfield: Mr. Speaker, I think I have said sufficient to indicate that this bill is a very small measure in the context of what is needed in the country today as a remedy or even as an effective attack on our economic problems. It is a very small and very narrow approach. I hope the bill will be a help to those who are threatened with loss of jobs through this United States surtax. But I say to you, Sir, that we need to have a firm indication of