

*Employment Support Bill*

In reply to those protests, a few days later, on September 14, one could read the following in a Montreal paper:

The Six request that Nixon remove the surcharge.

The Six have agreed to consider a realignment of monetary parities on the international level only if the United States remove the 10 per cent surcharge on imports.

That decision was taken by the Council of ministers of finance for the Six last night, after an agreement had been reached on the position to be fought for in reforming the international monetary system. The text adopted by the Council states that the Six pointed out the seriousness of the American decision to levy a 10 per cent surtax and grant fiscal concessions in favour of domestic investments and exports.

These steps interfere with the making up of realistic rates of exchange. They impede the realignment of parities. Furthermore, they could well cause serious disruptions in international trade.

Consequently, the European Community is solemnly asking for the removal of the Washington measures.

Well, maybe there is some good in all this because when the Six met, it was even proposed that the international monetary system be revamped. I feel that Social Credit is coming anyway, not only at the national level as stated by the hon. member for Duvernay (Mr. Kierans), the former maverick Communications Minister—who asked that the Bank of Canada be used to issue new funds as the only way to boost the Canadian economy—but even at the international level, since the Six unanimously requested a reform in the international monetary system. Incidentally, *Le Devoir* of September 9, 1971 had an article entitled: *The Six Agree on Common Goal*, and I quote:

The international monetary system, born of the Bretton Woods agreements, must be reformed: failing a common position to solve the crisis created by the United States on August 16, the Six of the Common Market have at least managed, after four weeks, to agree on a common goal.

That goal is the complete reform of the international monetary system. In the light of those events, what did the government do? It missed its only chance to back track by helping directly our fully owned Canadian industries without being accused of provoking dumping into the United States, or directly violating the GATT agreements. May I point out to the House another article published in *La Presse* on September 8, 1971 and entitled: *Direct Violation of GATT Agreements*. I shall read only a few excerpts because the article is too long. I quote:

The emergency plan which has just been launched by the Trudeau government to assist industries most seriously affected by the 10 per cent surcharge established on August 15 by President Nixon is a direct violation of GATT and may have repercussions in the United States as well as abroad.

Indeed, even if the federal Minister of Industry, Trade and Commerce, Mr. Jean-Luc Pepin, suggests that the \$80 million allotted for that emergency plan are meant to lessen the impact of American measures on labour, they amount to export grants none the less. Now, such practices have been denounced by the General Assembly of GATT as "non-tariff walls".

As for Canadian government authorities, always ready to copy the United States, I wonder why they did not imitate Mr. Nixon when he decided to give 10 per cent to his domestic industries to encourage them to produce more goods for American consumers. Thus not only would they have maintained the employment level, but they would surely have contributed to reduce the unemployment rate and help Canadian consumers.

We blame this government for imposing to the people in the lower income brackets this despicable tax which has

but one purpose, protecting our pro-American millionaires.

If we wish for the suppression of unemployment and the growth of our economy, these will certainly not be achieved through the imposition of new taxes, but by abolishing those taxes which hinder our Canadian industries' survival and favour the American companies.

That is the reason why all our industries one after the other are falling into American hands. The people mainly responsible for this type of emigration are those presently sitting on the government's side.

This is why, Mr. Speaker, we are against the bill before us at the present time.

**The Acting Speaker (Mr. Laniel):** Order. Before recognizing the hon. minister, I should like to inform the House regarding matters which will be raised tonight at the time of adjournment.

[English]

## PROCEEDINGS ON ADJOURNMENT MOTION

### SUBJECT MATTER OF QUESTIONS TO BE DEBATED

**The Acting Speaker (Mr. Laniel):** It is my duty, pursuant to Standing Order 40, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Compton (Mr. Latulippe)—Finance—Government attitude on negative tax formula; the hon. member for Fraser Valley West (Mr. Rose)—Fruit—Request by British Columbia growers for export assistance—legislation to protect against dumping of agricultural products.

[Translation]

## GOVERNMENT ORDERS

### EMPLOYMENT SUPPORT BILL

#### MEASURE TO MITIGATE EFFECT ON CANADIAN INDUSTRY OF IMPOSITION OF FOREIGN IMPORT SURTAXES

The House resumed consideration of the motion of Hon. Mr. Olson (for Mr. Pepin) that Bill C-262, to support employment in Canada by mitigating the disruptive effect on Canadian industry of the imposition of foreign import surtaxes or other actions of a like effect, be read the third time and do pass, and the amendment thereto of Mr. Burton.

**Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce):** Mr. Speaker, I apologize for speaking at this time. I would have preferred to wait for the end of the debate, but, unfortunately or fortunately, I must leave for Houston, Texas, in a few minutes, so that I will not be here tonight when this bill is approved with great enthusiasm.