

The alternative proposal submitted by the hon. member for Témiscamingue seems to me to be worded in terms that go far beyond the scope of the bill of the motion now before the House.

The hon. member said so himself. This is an alternative proposal, suggesting another bill. Essentially, the hon. member wishes to substitute his own bill to that introduced by the government. In a sense, I think that he will himself recognize that the motion is not in order.

I regret having to render this decision.

[English]

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, the bill introduced today for urgent consideration of the House seeks authority for the swift establishment of an employment support program. This immediate step is necessary because of the important and far reaching changes that have taken place in the whole international economic system since Parliament adjourned in June. These changes are a matter of critical concern to Canada. No other country stands to be as deeply affected, directly and indirectly, by the crisis confronting the post-war system of trade and payments, a crisis brought to a head by the wide ranging series of measures announced by President Nixon on the night of August 15.

• (8:20 p.m.)

As one of the foremost trading nations, we have a vital interest in ensuring the maintenance of a sound and stable international trade and monetary system. We are even more vitally affected because the annual flow of capital, goods and services between Canada and the United States is far greater than that between any other two nations in the world, amounting to about \$10 billion from Canada's point of view, which is about one-ninth of our gross national product; from the United States' point of view it is about one-thousandth of their gross national product.

The legislation before the House is a first, important step to deal as a matter of urgency with the most immediate and pressing problem confronting Canada as a result of the temporary surcharge of up to 10 per cent imposed by President Nixon on a wide range of U.S. imports.

[Translation]

Mr. Caouette: Mr. Speaker, I rise on a point of order.

Mr. Speaker, I do not want to interrupt the hon. minister very long. I have no question to ask him either. But the sound system is so weak that we cannot understand the translation of what the minister is saying. We believe he must be saying something intelligently at least and we would like to hear him.

Mr. Lambert (Edmonton West): Increase the volume.

[English]

Mr. Benson: I can well understand the hon. member's desire to hear the important words I have to say tonight.

Employment Support Bill

Some hon. Members: Hear, hear!

Mr. Benson: Unfortunately, I have no control over the sound system and I cannot shout any louder than I am shouting now, although the hon. member can, because I often heard him do so on television.

About one-quarter of Canadian exports to the United States are at present covered by the surcharge, approximately \$2.5 billion worth on the basis of 1970 trade. As hon. members will be aware, we have been pressing for a total Canadian exemption from the surcharge on grounds which I shall discuss later at greater length. Discussions between the two governments are continuing and our position remains under active consideration by the administration, even though we have not had the benefit of the Leader of the Opposition (Mr. Stanfield) going down to Washington to make representations about it.

Mr. Hees: If you had, you would have an agreement right now.

Mr. Benson: If we can have an agreement right now I will try to provide a D.O.T. aircraft for the Leader of the Opposition to go tonight.

Mr. Hees: If your visit was a success, I should hate to see a failure.

Mr. Benson: George, you only have to go back two years to see a failure.

Mr. Hees: Get some new writers.

Mr. Benson: For the present, it is critically important that we develop a program to minimize the immediate impact on the Canadian economy of the U.S. surcharges. My colleague, the Minister of Industry, Trade and Commerce (Mr. Pepin) has already outlined the nature of the program provided for in the legislation now under consideration. Let me say only that it is directed to providing significant assistance to those factories and firms which would be most severely affected by the continued imposition of the special duties.

There is no question, Mr. Speaker, that a number of the measures announced by the President pose a threat, although one of still unknown magnitude, to a continuation of the strong growth currently under way in our economy.

Some hon. Members: Hear, hear!

Mr. Benson: And, of course, as I have explained to Secretary Connally, to the extent our economy is damaged the U.S. program will be self-defeating.

Virtually all the major indicators provide clear evidence that the economy has, in fact, been continuing to expand at a steadily accelerating rate. Just a week ago, Statistics Canada reported that during the second quarter of this year Canada's production of goods and services rose by almost \$3 billion to an annual rate of \$91 billion.

Some hon. Members: Hear, hear!

Mr. Hees: Now tell us about unemployment.