

Base Metals Industry

have suggested quotas. Such quotas would be discrimination of the rankest nature and would be very difficult to administer. I hope government officials will speak most strongly against any measures which may affect the situation and more particularly against the quota system.

I would like to quote from the submission of the international union of mine, mill and smelter workers to the Canadian government in which they show the rates of tariff being suggested by the United States industry as follows:

On lead if the United States price is 17 cents a pound or more there would be no tariff. Between 16 cents and 17 cents the tariff would be one cent; between 15 cents and 16 cents it would be two cents; when the prices falls below 15 cents it would be three cents.

Now the present price is below that, so that the maximum today would, in effect, be 3 cents per pound on lead and that is a 20 per cent increase in the tariffs. The quotation continues:

On zinc, if the price is 14½ cents a pound or more, there would be no tariff. Between 13½ and 14½ cents the tariff would be half a cent; between 12½ cents and 13½ cents it would be one and a quarter cents; when the price falls below 12½ cents it would be two cents. With the price of zinc now at 10 cents a pound—

That was in August. The present rate of tariffs is 7/10ths of a cent so that the barrier existing in the new regulation would be another 20 per cent.

Now there have been various suggestions about remedies. I have some sympathy with the suggestion of the union, because in 1953 I made a similar suggestion in this House of Commons by means of a resolution. It would be a drastic measure but I hope this new government which does seem to feel that it is the champion of diplomacy, will be able to work this thing out without having to resort to such a drastic measure. It is this: Let the United States government be told that if tariffs proposed against lead and zinc are put into effect, Canada will for its part tax and place restriction on exports to the United States of metal, iron ore, asbestos and pulp and paper. I think it should be pointed out that if necessary we may have to take such drastic steps.

I was going on, Mr. Speaker, to speak on the effect this would have on our country and in particular the very grave effect it would have upon our export metal trade balance. However, I shall not take any more of the time of the house. Suffice it to say that it would have a very serious effect on our trade balance and an even more serious effect on the industry itself which might result in a

[Mr. Byrne.]

large and spreading unemployment in the base metal industry. I hope the ministers will consider this matter more seriously than they have appeared to do in the past and will make earnest and strong representations. They might take some of the fifty businessmen who are now over in Britain on another tour down to the United States and really go to town in an effort to avoid this tariff and to start to sell some materials in that country.

INCOME TAX—OMISSION OF LOGGERS AND
LUMBERJACKS FROM PROPOSED CHANGES

Mr. D. M. Fisher (Port Arthur): Mr. Speaker, I have a grievance which has to do with the position of our lumberjacks or woodworkers in relation to the Income Tax Act and expense allowances allowed for living away from home. My reason for raising this grievance at this particular time is that there has been a certain anticipation of amendments and changes in the Income Tax Act which would extend these expense allowances to woodworkers, but we now know, as a result of the statement of the Minister of Finance (Mr. Fleming) and as a result of the draft bill, that the only extension will be that to construction workers.

Now, to appreciate the position in which the lumberjack finds himself and its comparison to the position of the construction worker, one needs to go into the economic setup of the pulp and paper industry of Ontario. This is a problem which of course extends to many parts of Canada but I can speak only for the pulp and paper regions of Ontario. It is worth remarking at this time that the pulp and paper industry is the most important industry, in terms of revenue, in the province of Ontario.

Pulp and paper companies are now operating on what might be called a very long-term scale. They have limits ranging up to 4,000 and 5,000 square miles in area and they are required to operate them under provincial law according to a kind of treble planning; a 5-year, 10-year and even a 50-year plan. Now with that type of planning you get a production and a location of the camps projected far into the future. For example, you can go to the limits of the Kimberley-Clark Corporation up at the Long Lac area and see camps designed to look after the board and room of the men for the next 50 years. In other words the industry has acquired a stability as a result of this long-term operation.

However, we must look at the sociological situation which is ahead of us in the bush