

Oral Questions

Some hon. Members: Agreed.

Some hon. Members: No.

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SHIPBUILDING

APPLICATION OF CAPITAL COST ALLOWANCES—MOTION UNDER S.O. 43

Mr. Joe Reid (St. Catharines): Madam Speaker, because of the capital cost allowance provisions in the disastrous November 12 budget, the owners of eight of 11 ships now under construction in Canada are faced with a 5 per cent increase in the after-tax cost of their ships, which translates into \$1.5 million to \$2 million more per ship. I therefore move, seconded by the hon. member for Grey-Simcoe (Mr. Mitges):

• (1415)

That the Minister of Finance honour his promise of equity and fairness in Canada's tax laws by allowing the ship owners to claim the full capital cost allowance as was the provision when the construction contracts of those ships commenced.

Some hon. Members: Hear, hear!

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

ORAL QUESTION PERIOD

[English]

FINANCE

THE BUDGET—QUERY RESPECTING POSSIBLE CHANGES

Hon. Don Mazankowski (Vegreville): Madam Speaker, my question is directed to the Minister of Finance. As it now appears, the Minister of Finance has finally recognized that his budget of November 12 has inflicted serious damage upon the Canadian economy, throwing our country into a deep recession, creating widespread uncertainty among the key sectors of the economy, thereby costing hundreds of thousands of jobs. The minister now considers it to be advisable and worthwhile to consult with the business community about future economic conditions. Given this apparent conversion of the Minister of Finance, can he now say whether there will be fundamental changes to his budgetary proposals, or can he give the House and the country some hope by making a commitment that his budget will be withdrawn, or will he give the country some encouragement by pledging to the people of Canada and to this House that a new budget will be brought in before we break for the summer recess?

Some hon. Members: Hear, hear!

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, the hon. member speaks about conversion, and I would occasionally like to see a bit of a conversion on the other side of the House. However, in this case there is no conversion involved, because in the budget paper which was tabled at the time of the budget, entitled "Economic Development for the 1980s," there was a clear statement of the intention of the government to enter into consultations with business and labour concerning each of the economic policies described in this paper. If the hon. member will refresh his memory and go back to that budget document, he will find that these consultations were described as "forming the basis for a continuing dialogue about economic issues and new government policy thrusts as they emerge in the coming months." That is the statement which was made in the strategy on economic development. Any meetings which may be held with the private sector are a fulfilment of the commitment which was given in that budget document.

Mr. Mazankowski: Madam Speaker, the minister knows that his budget is a disaster and he should acknowledge that.

Some hon. Members: Nonsense.

Mr. Mazankowski: He is either immune to the human misery and suffering that he has inflicted upon Canadians across this country, or he refuses to acknowledge it.

DISCUSSIONS WITH REPRESENTATIVE GROUPS

Hon. Don Mazankowski (Vegreville): Madam Speaker, since the minister and his circle of advisers have obviously misread and miscalculated the depth of Canada's economic ills, what hope can the minister now offer to the people of Canada at this critical time in our history, when they are losing their jobs, their businesses and their farms? Is he, as a minimum, prepared to withdraw those destructive provisions in his budget, or will he at least consider having these disruptive and offensive measures re-examined? Further, if he is to arrive at a national economic consensus through consultation, how can he expect to achieve that without the involvement of labour?

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, it is not the intention of the government to attempt the achievement of a national consensus without the involvement of labour. It is the intention of the government to have discussions with a range of representative groups, including labour. No representative group will be excluded.

TRANSFER OF PUBLIC SERVANT

Hon. Michael Wilson (Etobicoke Centre): Madam Speaker, newspaper reports state that we welcome the direction the government now seems to be following in terms of reintroducing some tax incentives which were removed from the previous