

HOUSE OF COMMONS

Tuesday, May 30, 1972

The House met at 2 p.m.

[English]

ORAL QUESTION PERIOD

ROUTINE PROCEEDINGS

FINANCE, TRADE AND ECONOMIC AFFAIRS

Third report of Standing Committee on Finance, Trade and Economic Affairs—Mr. Kaplan.

[Editor's Note: For text of above report, see today's Votes and Proceedings.]

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CANADIAN NATIONAL RAILWAYS

ALLEGED DOWNGRADING OF PASSENGER SERVICE—
REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION
UNDER S.O. 43

Mr. Jack Marshall (Humber-St. George's-St. Barbe): Mr. Speaker, I seek the unanimous consent of the House under Standing Order 43 on a matter of urgent necessity. The serious claims by all segments of transportation and communications and particularly by railroad workers that Canadian National Railways is deliberately downgrading rail passenger service, and their demands for the reinstatement of rail services, emphasize the need for reassessment. Since these claims contradict the announced direction of government transportation policy made known to the Transport Committee and in the promotion campaigns of Canadian National Railways, I move, seconded by the hon. member for Gander-Twillin-gate (Mr. Lundrigan):

That the government place a moratorium on all pending applications for discontinuance of rail passenger service and that they instruct the Canadian Transport Commission to initiate an independent study to assess the management capabilities of CNR and the effect of CNR decisions on the Canadian public.

Mr. Speaker: This motion is proposed under the terms of Standing Order 43 and requires unanimous consent.

[Translation]

Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: Consent is not unanimous. Therefore the motion cannot be put.

25316—45½

FINANCE

HIGHER LEVEL OF CANADIAN DOLLAR IN RELATION TO
U.S. DOLLAR—MEASURES TO ASSIST EXPORTERS

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I have a question for the Minister of Finance, but first I should like to welcome him back to the House after his important trip to Europe. In view of the fact that the Canadian dollar has now risen to \$1.017 U.S., and gives every indication of continuing to rise and making it increasingly difficult to provide a satisfactory Canadian export picture, is the government planning to introduce any measures in the near future to aid our exporters to overcome the very serious situation they are facing in increasing degree day by day?

• (1410)

Hon. John N. Turner (Minister of Finance): Mr. Speaker, the government has already introduced some stimulus through the budget of May 8 by way of accelerated depreciation and a substantial reduction in corporate tax for manufacturers and processors, which I think will go a long way to compensating for any international disadvantages they may suffer.

Mr. Hees: Is it the view of the government that measures which will not become effective for more than seven months will be effective in helping exporters who are facing this very serious problem right now in an increasing degree day by day?

Mr. Turner (Ottawa-Carleton): Yes, Mr. Speaker, it is our view that they will be of immense help. To begin with, the accelerated depreciation was immediately effective as of May 8, and the reduction in corporate tax for processors and manufacturers will allow those industries to plan on the basis of that measure.

Mr. Hees: As Canadian manufacturers seem singularly reluctant to indicate how they are going to spend the tax reduction they will receive seven months from now, or to give any indication that they will carry out the plans that the Minister of Finance expressed for them in his budget, can the minister indicate to the House now what effect these plans are expected to have when they do become effective—

Mr. Speaker: Order, please.

Mr. Hees: —or how effective they will become in the next seven months?