

at a standstill and employees will have to be laid off as in other fields.

Mr. Chairman, if the minister really wanted to act effectively against the present inflationary crisis, in developing these bills, he would impose an additional tax on American boats imported into Canada, to protect the Canadian market instead of helping destroy the Canadian industry.

The Sunray Boats Inc. company is the product of the competent people who built it. As I said earlier, it is an outstanding industry. It is worth visiting because it did a tremendous job. It did so with French-Canadian capital, in somewhat the same manner as Prince Craft, for instance, acquired its good reputation. It consistently produces good boats, it is renowned across the country and in the United States, and now with this surtax, the Minister of Finance, who says it will produce \$30 million, will help destroy what his colleague the Minister of Regional Economic Expansion has successfully created through a development grant paid out of taxpayers' money.

Mr. Chairman, may I ask the Minister of Finance (Mr. Turner) if any representations were actually made by those French Canadian corporations. If so, did any meetings take place? Did he check the effective energy consumption rate of pleasure boats? Could he tell us the impact of that amount insofar as energy savings are concerned?

Did the minister not carefully consider other ways of saving energy instead of crushing down our Canadian industries? What was the minister's answer to those industries? Did he, and this is an important question, confer with his colleague, the Minister of Regional Economic Expansion (Mr. Jamieson) who contributed in creating employment in our country before that surtax was announced, owing to which more factories will close down in our country? If he did, what was the outcome of that consultation? If not, why did he not convene with his colleague?

Mr. Chairman, before proceeding further with the study of that bill, I think it is important to take our time and check to what purposes the taxpayers dollar was used in the past and what its proposed uses in the future are.

A number of expenses, of energy wastes in numerous sectors of our economy are not necessarily to be attributed to the government, but stem from our habits, as we used to have plenty of everything. We are now faced with the threat of an energy shortage. And yet some sectors are still allowed to go on wasting in a shameful way. In some areas, people have to pay more for the same energy sources as in others, and that means having one law for the rich and another one for the poor Canadians.

And on top of it all, Mr. Chairman, more factories will be led to close down in Canada on the pretext of saving energy whereas other sectors will be allowed to go on wasting. Now, I am saying that if the Minister of Finance is really interested in this country's finances, he will confer with his colleague the Minister of Regional Economic Expansion and tell us if he really assessed the economic impact of the 10 per cent surtax which comes on top of the taxes which already apply to those boats.

Mr. Chairman, if the minister does not change clause 11, the price of boats will go up 10 per cent. In addition, we

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must bear in mind the increase in the cost of raw materials which are also by-products of oil the cost of which is already prohibitive. Mr. Chairman, I agree with my colleague for the Northwest Territories (Mr. Firth) who uses those boats: the minister's decision is not reasonable. He was probably influenced especially by his officials.

To my mind, Mr. Chairman, it is imperative that the minister adopt a rational position in this matter and accept our suggestion, seeing Parliament is the place to legislate: he should revise his position with regard to clause 11.

● (2030)

Mr. Blais: Mr. Chairman, I merely wish to say a few things in view of the fact that clause 11 is considered important. The minister indicated a while ago that he had received representations with regard to it from all parts of the House, representations with which I agree. I urge the minister to reconsider that clause because arguments have been brought up which to my mind are quite enlightening and convincing.

[English]

I come from an area that is basically a poor area. I have been saying this in the House for the past two years in a number of representations that I have made to this House and to various ministers. I have indicated that regional development was one of the essential ingredients in the government's policies aimed toward my area and its betterment.

I agree that there is an approaching shortage of the commodity that we call oil. I am vice-chairman of the Standing Committee on National Resources and Public Works, and I am in a position to know that the thrust of the legislation in this instance is one that must be accepted. I agree that with the shortages we are going to be facing, we have to look at conservation. I think that Canadians as a whole recognize that conservation is essential. However, I would like to refer to a letter I received from my provincial counterpart, Richard Smith, who is an MPP, and I quote a paragraph in that letter. I think he puts the position to us succinctly with reference to regional development. He states as follows:

Although, I agree with the principles behind the position of the tax, the problem lies in the fact that the tax will be effective in the slower growth areas of Canada which are most dependent on tourism because if one looks across this country at tourism and slowgrowth and low incomes are synonymous and of course the sale of this type of merchandise is limited primarily to those tourist areas of the province.

I cannot but agree with that particular position in view of the fact that primarily in my area we have a very short season. We are not lucky like Nova Scotia where they have a very long summer. In my area we have a relatively short season, and the tourist operators have a very short period of time during which they can make their money. However, their capital outlay is relatively high because they have to cater to the tourist trade and, as we know, the tourist has been spoiled in past years and requires the best. He needs the best accommodation, he needs the best guides, and on top of that he needs the best equipment.

Because of the demands that are made on me with reference to encouragement of the tourist industry, I fail to see how the marginal operators—and that would