

As to the capital gains tax, estate tax and so on, there has been a request by the provinces that we do certain things. I have replied to them that we still plan to go ahead with the abolition of the estate tax by January 1 but that we would be ready to discuss any administrative arrangements which might help them over a transitional period.

UNEMPLOYMENT—COMMUNICATION TO PROVINCES OF
PROGRAM TO STIMULATE EMPLOYMENT PRIOR TO
ANNOUNCEMENT IN HOUSE

Mr. James A. McGrath (St. John's East): May I ask the Prime Minister whether it is the intention of the government to communicate any proposed program to stimulate employment this winter to the provincial premiers prior to the calling of a conference and before such a proposal is announced to the House?

Right Hon. P. E. Trudeau (Prime Minister): I would think not, Mr. Speaker. I would think that any announcement would be made to the House in the first place.

UNEMPLOYMENT—PUBLIC WORKS DEPARTMENT
PROJECTS FOR THIS WINTER

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a supplementary or at least a related question to the Minister of Public Works. In view of the statement made by the minister out west over the weekend, can he tell the House whether specific proposals for works to be undertaken by his department have reached the stage where they will be put into effect this winter?

Hon. Arthur Laing (Minister of Public Works): I do not know how I was quoted. I can tell the House how I was confronted. I was confronted by a man who told me we were going to set aside \$400 million for public works and for the relief of unemployment during the winter. He said he had been assured of that by a member of the provincial Department of Labour in Victoria. I said I did not know whether it would be less or more than that, but I thought there would be some allocation of money for the relief of unemployment.

Mr. Speaker: Order, please. The Chair will recognize a last supplementary on this subject.

Mr. Knowles (Winnipeg North Centre): Can the minister say whether any of that money, and, if so, how much, will be spent by his department?

Mr. Laing: I would hope as much as possible. We had the responsibility of supervising some work last year and I am going to pay this compliment to my department: it was effectively done.

FOREIGN OWNERSHIP—STATEMENT BY MINISTER OF
INDUSTRY, TRADE AND COMMERCE—GOVERNMENT
POLICY

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, may I direct a question to the Prime Minister. I now have the text of the address which the Minister

Inquiries of the Ministry

of Industry, Trade and Commerce made in Houston, Texas, last week. The text says, in part:

• (2:20 p.m.)

—I shall just mention a few reasons why you should look very carefully to Canada as a country for investment. We offer ready access to raw materials and sources of energy, a generally stable economic and political climate, and one of the most hospitable climates in the world for foreign investment.

I want to ask the Prime Minister whether this statement represents government policy and is the basis upon which the government's program in relation to foreign investment is being predicated?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, these general principles do not seem to me very different from the ones which were adopted by the New Democratic Party in rejecting the Waffle proposals in Winnipeg.

Some hon. Members: Hear, hear!

Some hon. Members: Oh, oh!

Mr. Douglas: May I ask the Prime Minister whether the statement by the Minister of Industry, Trade and Commerce means that the report so laboriously prepared by the Minister of National Revenue has now been discarded and that the government intends to roll out the welcome carpet for United States capital which now controls a very large part of the Canadian economy?

Mr. Trudeau: Mr. Speaker, the hon. member's question cannot be answered by a yes or no, because the first part calls for a no and on the second part my comment is that it is irrelevant.

FOREIGN OWNERSHIP—INQUIRY AS TO ANNOUNCEMENT
OF GOVERNMENT POLICY

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, would the Prime Minister advise the House when the government expects to make known its policy on foreign investment in Canada, based on the studies which have been conducted under the direction of the Minister of National Revenue?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the documents have been before cabinet for some time and we will make our views known as soon as possible.

Mr. Hees: Just as I thought, Mr. Speaker; they are getting nowhere. My supplementary question is: Has the government decided to drop the so-called Gray report and, if so, is this because of the new economic policies introduced recently by President Nixon?

Mr. Trudeau: No to the first question, Mr. Speaker, and the second one, therefore, does not make any sense.

* * *

NATURAL RESOURCES

SABLE ISLAND OIL DISCOVERY—RIGHTS OF FEDERAL
AND PROVINCIAL GOVERNMENTS RESPECTING
ROYALTIES

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, my question is for the Prime Minister. Can the