

that, in relation to the construction of naval equipment, and perhaps the hon. member does not know that, we have increased from 12 per cent to 20 per cent the subsidies in that construction field. Further to that, the statistics today indicated that within a year in Canada we have created 292,000 new jobs, which is in fact 40,000 more than was predicted by the Minister of Finance in the spring.

Some hon. Members: Hear, hear!

SUGGESTED CANCELLATION OF TAX CONCESSIONS TO CORPORATIONS AND USE OF MONEY FOR DIRECT JOB CREATION

Mr. Edward Broadbent (Oshawa-Whitby): Just one million fewer than are required. If we consider the crucial manufacturing sector, comparing the number of jobs we had in October of this year with October of last year, we will find we have lost 59,000. That was a net loss of jobs in that manufacturing sector in spite of the minister's decision to give \$1.2 billion in special corporate tax concessions for that industry to over-expand even more. Industry is not using that money to expand further because its directors are not stupid. Given the crucial importance of the manufacturing industry to Canada and the need for stimulation, will the minister cancel this ridiculous \$1.2 billion corporate tax concession to encourage further unused capacity and use the same money in the form of direct job creation or as a tax stimulus to the consumer?

Hon. Jean Chrétien (Minister of Finance): Mr. Speaker, I think that in the budget which I presented in the House a few weeks ago I indicated I was giving more than \$700 million—

Some hon. Members: Oh, oh!

An hon. Member: It was a budget?

Mr. Chrétien: If you prefer I could call it an economic speech, but for me it was the same thing. Perhaps it was not the same thing for you.

Some hon. Members: Oh, oh!

Mr. Chrétien: I know that hon. members were complaining at the time that we were not acting. Now they are complaining that we are acting with imagination and too quickly for them.

Some hon. Members: Hear, hear!

Mr. Chrétien: The best way to improve the Canadian economy is by making Canadian products more competitive in world markets. We have taken some very important steps in that regard as I outlined in the House of Commons, specifically when I asked all Canadians to reduce increased compensation to six per cent in order that our competitive position, as compared to other nations in the world, would improve. Considering the fact that the Canadian dollar has returned to a more reasonable level I think the situation will now improve by making Canadian products more competitive in the world, and the situation will correct itself.

Oral Questions

● (1427)

REASON FOR FAILURE TO PROVIDE EMPLOYMENT INCENTIVE PROGRAM FOR INDUSTRY

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I have a question for the Prime Minister. To begin with, I am sure all members of the House would join me in welcoming him back to the House from his holiday where he was scuba diving while the economy was nose diving.

Some hon. Members: Hear, hear!

Mr. Hees: As a practical and workable plan containing an employment incentive for industry is our best hope, the same type of thing that I worked out and presented on January 25, 1977 in detail—and the government was well aware of the presentation I made at that time—I would ask the Prime Minister why it is that his government has waited so long and still shows no sign of presenting such an employment incentive to create jobs in our present economic atmosphere? In fact the government's plan is reported to be nothing more than having made available \$100 million. Do we have to wait for the government to make up its mind as to what it is going to do?

Mr. Speaker: Order, please.

Some hon. Members: Hear, hear!

Mr. Speaker: Order, please. If the hon. member for Prince Edward-Hastings has a question, perhaps he can put it.

Mr. Hees: Mr. Speaker, in view of what I have said, I ask the Prime Minister why the government has not presented an employment incentive plan such as I have outlined to him? If the government ever intends to present such an incentive, when will that time be?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I am very happy to be back in the House now that the opposition is turning its mind to economic questions, rather than knocking the RCMP.

Some hon. Members: Hear, hear!

Mr. Paproski: It is all your fault.

Mr. Hnatyshyn: You will have to apologize twice today.

Mr. Trudeau: We plan to bring the tax incentive scheme for job creation, which the Minister of Finance talked about, before the House before Christmas.

Mr. Hnatyshyn: Which Christmas? I hope it is not the Ukrainian Christmas.