

Oral Questions

that he is in the process of opening his mouth and changing feet. In view of the budget announcement of an increase in the excise tax on fuel to 25 cents a gallon, with the 10-cent rebate to primary producers, and in view of the statement of the Fisheries Council today that this increase raises serious questions about our competitiveness in the export fish market, can the minister confirm that the net increase of 15 cents a gallon, first of all, applies to all fishermen, both salt water and inland, and to all farmers; and, second, does the minister share the expressed concern of the Fisheries Council?

Hon. John C. Crosbie (Minister of Finance): Mr. Speaker, I want to congratulate the hon. member for Burin-St. George's on his election to the House.

An hon. Member: You elected him.

Mr. Crosbie: It is true that his provincial district of Hermitage is now PC, so it was a good move.

An hon. Member: What happened to Carter?

Mr. Crosbie: With reference to the hon. member's question, the fishing industry in Canada is in a very healthy state. The main market is in the United States of America. Energy prices in the United States of America have increased far more swiftly than ours, and are going to continue to do so. We are going to keep our fuel costs well below those in the United States of America.

Although costs for the fishing industry and all other industries are going to be increased, they will still be very reasonable, from an energy point of view, compared with any other of the western industrialized countries, particularly in Europe and the United States. If the fishermen carry on with their usual efficiency and enthusiasm, there is no reason for them to worry at all—in addition to which we are giving them assistance. We are making it attractive for investors to invest in fishing vessels of sizes from 40 feet to trawlers, the long-liners. We are doing quite a bit to assist them in that direction.

INVESTMENT IN SMALL BUSINESS—NO TAX SHELTER IN BUDGET

Mr. Roy MacLaren (Etobicoke North): Mr. Speaker, my question is for the Minister of Finance. The government's decision to allow Canadians investing in Canadian companies listed on Canadian stock exchanges a \$20,000 tax shelter next year does not extend to investments in small businesses. Will the government indicate why this new opportunity is limited to investors in large corporations and is not afforded to investors in smaller businesses? What has become of the Prime Minister's promise of last year to allow a tax credit for capital investments in small businesses?

Hon. John C. Crosbie (Minister of Finance): Mr. Speaker, the plan to which the hon. gentleman refers is one which will apply to publicly-traded companies on Canadian stock exchanges. For technical reasons, it is impossible to include in that plan companies which do not trade. But there are stock

[Mr. Simmons.]

exchanges today which can handle companies in the trading of shares of no great size in the ordinary term, so that this will apply to a great many companies.

In addition, the small business sector will get the tremendous advantage—the incorporated small business sector—of the small business development bond after-tax financing. They will be able to cut their interest costs during 1980 very, very considerably. That is a tremendous incentive and boost to them. In the unincorporated area of small business, they will be able to deduct the salaries of their spouses, at a cost of \$150 million. That is a tremendous boost to small business in all sectors, publicly-traded, incorporated and unincorporated.

Some hon. Members: Hear, hear!

INCOME DEBENTURE FINANCING

Mr. Donald J. Johnston (Saint-Henri-Westmount): I have a supplementary question, Mr. Speaker. The Minister of Finance fails to point out that the very measure of which he is so proud is simply a recycling and a retreat of an idea which was eliminated in Bill C-17, namely, income debenture financing. As far as the spousal allowance is concerned, he fails to point out that the recipients—

Mr. Speaker: Order, please. Does the hon. member wish to put a question?

Mr. Johnston: My question is to the Prime Minister in order to elicit a serious response. Why is there this patent discrimination in this budget against the small business sector, where no provision is made to attract equity capital into that sector at this time? Only in the case of listed corporations are these provisions available.

Hon. John C. Crosbie (Minister of Finance): Mr. Speaker, in Bill C-17 we were dealing with a problem of the previous government, where they let the giant corporations—the Petro-Canadas, the billion dollar outfits—get the benefit of after-tax financing. That loophole has now been stopped and we are giving that benefit where it should have been given in the first place—to the small business sector. That is our approach—not the approach of the monopoly capitalists opposite.

Some hon. Members: Hear, hear!

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[Translation]

SPORTS

FINANCIAL SUPPORT FOR NATIONAL ORGANIZATIONS

Mr. Louis R. Desmarais (Dollard): Mr. Speaker, my question is for the Minister of State for Fitness and Amateur Sport.