

House of Commons

I first became aware of the Prime Minister at the Resources for Tomorrow Conference back in 1961 when he was then a professor. He has demonstrated many hidden resources since that time since he has assumed the responsibility for the leadership of this House. The Leader of the Opposition wrote a most encouraging and helpful note at a most critical time. The right hon. gentleman from Prince Albert, with his great sense of timing—one hour before I went for surgery—sent to my room an autographed copy of his book "One Canada". Believe me, that was a reality to hang on to for the next few days. I think it was Thomas Carlyle who said that if you want to see demonstrated beyond a shadow of a doubt the truth of original sin, attend a session of the House of Commons. Of course, he was referring to the British house. You might even have it demonstrated here. But let me tell you, Mr. Speaker, that there is a warmth and friendship that you find only in this place and I do appreciate everything that has been done and written and said on my behalf.

I should like to extend a special message to the Postmaster General (Mr. Mackasey) who is not with us this morning. He too, made a concrete gesture. He sent me a tape in quadraphonic sound so that the music was coming at me from all sides—and not of an Irish jig but a beautiful tape recording of "The Sound of Music". I was just going to suggest that he make the same gesture to Joe Davidson at this Christmas time because as we all know, music hath charms to soothe the savage breast. A wise man also has said, "Let me write the songs of a nation and I care not who makes its laws."

I should like to mention, too, the staff of the National Defence Medical Centre, one of the finest hospitals in the nation, under the leadership of Dr. Fitzgibbon.

Some hon. Members: Hear, hear!

Mr. Dinsdale: Also the staff of the Civic hospital under Dr. Keon. It is one of the finest cardiac centres in the nation and it is going to be in the forefront when the new cardiac unit opens some time in the spring.

Perhaps I might be allowed one final message, Mr. Speaker. On the eve of Christmas I recall an old saying: plus ça change, plus c'est la même chose. The first message I receive when I come back to the House is the decree of Caesar Augustus that all the world should be taxed. It is not simple, it is not new—it is an old message. I am sure it is more than coincidence that it has been saved for the Christmas period; but we know from history that man proposes and God disposes.

I wind up my remarks by extending the greetings of the thousands of Tiny Tims and Bob Cratchets, the backbone of the nation: A Merry Christmas to all and God bless us all—and God help us all.

Thank you, Mr. Speaker.

Mr. Speaker: Oral Questions.

[Mr. Dinsdale.]

ORAL QUESTION PERIOD

[English]

TRADE

EFFECT OF TAX ON EXPORTS ON MULTINATIONALS AND FOREIGN PAYMENTS DEFICIT

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I have a question for the Minister of Finance relating to the tax levy on exports. In view of the tax of 100 per cent on the excess of export prices above domestic prices and the encouragement this would give multinational companies with subsidiaries in countries other than Canada to export from those countries rather than Canada, how does the government propose to offset the possibly disastrous effect upon our exports?

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, reflecting on many of the major export industries in Canada, the forest products industry and minerals in particular, I would say that the hon. gentleman's expression of concern would not appear to be well founded.

Mr. Stanfield: A supplementary question, Mr. Speaker, about another concern I have. In view of what seems to be the harmful effect of this tax and the probable discouragement to the processing of raw materials in Canada as opposed to multinationals using other countries with a more favourable tax arrangement to process the raw materials, how does the Minister of Finance propose to offset this?

● (1120)

Mr. Macdonald (Rosedale): Mr. Speaker, I repeat, I do not think that follows. Indeed, the provision for the proceeds of the tax specifically to be reinvested in additional capital facilities we feel will enhance the probability of further processing facilities being constructed in Canada.

Mr. Stanfield: A further supplementary question, Mr. Speaker. I want to make certain I am right. Is it the minister's view that the proposed 100 per cent tax levy on the differential between the domestic and export price on particular exports will not affect significantly potential Canadian exports and not contribute to the already substantial foreign payments deficit which exists in Canada's trade? Is that the government's position?

Mr. Macdonald (Rosedale): Mr. Speaker, obviously, the foreign trade deficit is related to the impact of recession on our major foreign markets, and the recession there has been very much more marked than the recession in Canada. We do not feel that the expected recovery of exports from Canada, as those foreign markets recover, will be adversely affected by the export levy.

EFFECT OF TAX ON EXPORTS ON EXPORT SALES NEXT YEAR

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, may I direct a supplementary question to the Minister of Industry, Trade and Commerce? Has the minister estimated the extent of the impact of this disincentive on export sales next year and has he any plans to counteract the negative effect of this disincentive on our sales