

gains. Therefore I will be bringing forward a discussion paper on this subject. As well, I will not be reintroducing the measures to provide special tax incentives for investors in Atlantic fishing vessels. I want to explore with my colleague, the Minister of Fisheries and Oceans (Mr. LeBlanc), the impact of various measures on the structure and ownership of the industry in the context of the ongoing review that is under way.

I am also not making provisions for private corporations to be given tax contracts for investing in particular regions of the country. The Department of Regional Economic Expansion has considerable flexibility under existing legislation to support regional development. These mechanisms will naturally be under review prior to the expiry of the legislation next year.

My colleague, the Minister of Energy, Mines and Resources (Mr. Lalonde), and I have already announced that additional depletion allowances for oil and gas exploration in the frontier and offshore areas will not be continued, but will be replaced by a new incentive program to sustain the effort set in motion by the tax measure. I will, however, be introducing several of the other notices of ways and means motions tabled last December, including the measure providing for the deduction of salaries paid to spouses by persons carrying on an unincorporated business, and the temporary small business development bond provision enabling small businesses to obtain financing at lower interest rates.

Mr. Clark: Another broken promise.

Mr. MacEachen: This particular measure received special commendation from the Leader of the Opposition (Mr. Clark) in his speech, and I had his comments very much in mind as I considered whether I would bring back this particular measure.

To help offset the revenue loss associated with these measures and to help finance the increase in the guaranteed income supplement, I am reintroducing two of the tax measures. The increases in excise tax levies on alcohol and tobacco are to go into effect as of midnight tonight, and the two-year surtax of 5 per cent on federal corporate taxes effective January 1, 1980. I am also reintroducing other tax measures. Many are effective as of the dates originally proposed.

Mr. Clark: Budget measures.

Mr. MacEachen: These include tax relief for volunteer firemen—

Mr. Clark: Another broken promise.

Mr. MacEachen:—for temporary overseas employment—

Mr. Clark: Another broken promise.

Mr. MacEachen:—for employees who use aircraft in their work, and for certain situations where income taxes interact with family law. In addition, there are reduced write-offs for oil and gas properties, changes in the application of sales tax to cosmetics, extension of the sales tax to photo finishing, and

tightening measures in the areas of deferred compensation plans and deductions for prepaid expenses. Details and dates of the application of these and other measures are contained in the notice of ways and means motions I am tabling tonight.

Mr. Clark: If you get that far.

Mr. MacEachen: For some measures, there are certain technical changes, often to reflect useful comments received from the business community and tax practitioners. The motions also include the commodity tax measures arising out of the November, 1978, budget. I would pause here to say that these changes are quite extensive. I will not detail them in the House tonight, but they were detailed by the former minister of finance last summer as he gave notice of his intention to reintroduce these measures emanating from the previous budget.

I also want to announce at this time that it is the government's intention to proceed with a number of changes to the income tax regulations as proposed in December. I recognize the difficulties that arise out of delays in enacting tax measures. It is my intention to introduce and proceed with the legislation implementing these tax changes as soon as possible. However, with respect to the changes to the Income Tax Act, I recognize the desirability of publishing draft amendments to the law so that those whose interests are affected can have an opportunity to assess the impact of technical changes and suggest modifications before the final legislation is introduced. It is my intention to proceed with draft law so that the legislation, when finally introduced, will have benefited from a careful analysis by specialists in the tax profession.

In concluding my statement on taxation measures, I would like, under the provisions of Standing Order 60, to table notice of ways and means motions in both official languages to amend the Income Tax Act.

Mr. Crosbie: There isn't unanimous consent.

Mr. MacEachen: Under Standing Order 60, Mr. Speaker, it is possible for a minister of the Crown to table ways and means motions at any time in the House of Commons. In doing that, I would also like to request that an order of the day be designated in the future to consider these ways and means motions.

I wish now to bring Parliament up to date with the preliminary information available to us on the fiscal outcome for 1979-80, along with a summary of the fiscal outlook for 1980-81 as it currently appears. I am thus tabling the standard summary figures on the fiscal position for these two years. The information on the current 1980-81 fiscal outlook will serve as a supplement to the main estimates which are to be tabled tomorrow.

The main estimates are those prepared by the former government and which were ready for printing when we took office. It was judged best not to attempt to revise this massive compilation of expenditure figures, but to table the existing material without delay as a basis on which interim supply