

[Translation]

INCOME TAX

REGULATIONS GOVERNING DEDUCTIONS FOR EMPLOYEES WORKING IN ONE PROVINCE AND RESIDING IN ANOTHER

Mr. Donald W. Munro (Esquimalt-Saanich): Mr. Speaker, my question is for the Minister of National Revenue.

In view of the problems caused by the current system of deducting federal and provincial tax before issuing pay checks to civil servants residing in one province but working in another, is the minister prepared to tell us whether the regulations in this regard will be amended so that each civil servant can express his own preference.

Hon. Monique Bégin (Minister of National Revenue): I am not sure, Mr. Speaker, I understood quite well the sense of this question. I would like the hon. member to give me details.

Mr. Munro (Esquimalt-Saanich): It is about regulations governing income tax deductions. Could the minister tell us if they are going to be amended so that civil servants might express their own preference?

Miss Bégin: Unless I am mistaken, it is about the problem of federal civil servants working in Hull. To my knowledge, this problem does not exist. Pensions are not a real problem since benefits are the same for people living in Quebec or in Ontario.

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● (1450)

[English]

THE CANADIAN ECONOMY

ESTIMATED DATE OF UPTURN IN ECONOMY AND END OF CONTROLS

Mr. Gordon Ritchie (Dauphin): A question for the Minister of Industry, Trade and Commerce, Mr. Speaker. In view of the diverging courses of the United States and the Canadian economy—in the United States unemployment is dropping while in Canada it is rising—and since business indicators in the two countries also show considerable divergence—indicators in the United States are rising while in Canada they are falling—and since historically Canada follows the U.S. pattern, when does the minister consider we can expect an upturn in our own economy compared with that of the United States?

[Translation]

Hon. Jean Chrétien (Minister of Industry, Trade and Commerce): Mr. Speaker, so much the better if the American economy is improving. I do not agree with the hon. member that we are necessarily lagging behind the United States. On the contrary, during the past three years, our economic performance was better than the Americans' and if the situation is improving there at the present time, it is certainly going to stabilize our situation in Canada and we can only benefit from any improvement occurring there. In my opinion, the

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hon. member knows full well that for the first time in the past three winters Canada had less unemployment than the United States.

[English]

Mr. Ritchie: In view of the depressing effect of controls, when will the government announce clearly that controls are to end?

[Translation]

Mr. Chrétien: Mr. Speaker, as far as controls are concerned, we have passed a law and it is clear that the law stipulates that we cannot continue to have them after December 1978.

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[English]

ENERGY

DRILLING IN BEAUFORT SEA—CONSULTATIONS WITH NORWAY ON BLOW-OUT IN NORTH SEA

Mr. David MacDonald (Egmont): Mr. Speaker, my question is for the Minister of Energy, Mines and Resources. It relates to a recent decision by the government of Norway to postpone indefinitely test drilling of oil and gas deposits off its northern coast bearing in mind last month's blow-out in the North Sea. In view of proposals to drill in the Beaufort Sea this summer, could the minister tell us what steps have been taken to consult with the government of Norway with respect to this decision and is it being taken into account when considering possible locations for future drilling in the north?

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): I shall be pleased to give the hon. member a more complete report but I can tell him that a member of my department was in Norway recently during those sad events and has come back to make a report. I have not received his full report yet.

Mr. MacDonald (Egmont): In view of the fact that the government of Norway has invited the countries bordering the North Sea to attend a conference next month to consider the implications of the accident and the experience gained from it, together with proposals for co-operation in the future, may I ask whether Canada has been invited to take part, perhaps as an observer? Will the minister take steps, if this is not the case, to gain the information which will be disseminated at that meeting?

Mr. Gillespie: We shall certainly expect to gain access to the information. Whether we have been invited to the conference or not I do not know, but I shall be pleased to find out.