

Income Tax Act

interpreted in that respect. There are many areas in Nova Scotia and in other Atlantic provinces where people are unemployed for eight weeks and more and this tax credit will encourage small businesses in these areas to create new jobs for one or more people.

As I said, in South Western Nova in particular the fishing industry is expanding, and hopes for the future are great. The 200-mile limit has certainly contributed to this. The tax credit for the creation of jobs will provide an incentive to reduce unemployment. It parallels perhaps the investment tax credit which was granted in the past year to small businesses which amounts to 10 per cent in the Atlantic provinces and in the Gaspé. It is 7 per cent in other designated areas in Quebec, Saskatchewan, Manitoba, Ontario, Alberta and British Columbia, and 5 per cent in all other areas of Canada.

To return to the tax credit proposed in the bill before us, it will amount to \$2 in the Atlantic area and in the Gaspé, to \$1.75 in other designated areas in Quebec, Saskatchewan, Manitoba, Ontario, Alberta and British Columbia, and to \$1.50 in all other areas. It is calculated after the total taxable income of the company benefitting has been reported for that year. It can credit up to nine months of the \$2 per hour for the employed person. It covers up to a maximum of 40 hours each week for a period of nine months. The employer can use this tax credit over a period of five years, if he cannot use it up entirely in one taxation year.

● (1652)

Often opposition members indicate that the government has not been looking for a method to alleviate unemployment in the regions of high unemployment in Canada. In my constituency this year approximately \$2.2 million is going toward Canada Works projects. It is creating employment in times of high unemployment.

It is nice for members opposite to boast about the employment situation in Alberta, but a lot of Albertans have not faced the tough times of the east. This income tax credit will help many Canadians, particularly many easterners. I have a lot of confidence in the future of the east. I see businesses starting or expanding from existing businesses, not only because of the 200-mile limit, but because of Canada's ability to find oil on the east coast in the future. If one looks at the North Sea and sees how many wells were dug in order to find oil there, one will realize that Canada has not done as much and has found gas.

I see advantages for the constituency of South Western Nova. In order to receive the \$2 tax credit, a person must find full-time employment for three months. I question the three months in terms of the fishing industry. Perhaps fish do not realize they have to be around for three months at a time. This is something that may be answered later in the debate. The benefit to the small businessman will be up to nine months and, if he cannot use the entire tax credit, he can spread it over a period of five years.

I thank Your Honour for allowing me to talk about this further incentive by the federal government. It is designed to

[Miss Campbell.]

aid in reducing high unemployment in some of the areas of Canada. The job experience and training program under the Department of Employment and Immigration is very new. Chambers of commerce and boards of trade have already taken this problem in hand in order to find out whether companies could use additional unemployed youth between the ages of 18 and 24. They have attempted to find businesses which require this age group, at the same time as creating jobs for the future and taking advantage of the 50 per cent being paid by Manpower.

In conclusion, this two-year program regarding tax credit can only benefit Nova Scotia and my constituency. I congratulate the Minister of Finance and the Minister of Employment and Immigration.

Some hon. Members: Hear, hear!

[*Translation*]

Mr. Deputy Speaker: Is it the pleasure of the House to adopt the said motion?

Some hon. Members: Agreed.

Motion agreed to and bill read the second time.

Mr. Pinard: Mr. Speaker, I rise on a point of order. After consultation with members of all parties, we have agreed to suspend the private members' hour for this afternoon in order to continue with the discussion of Bill C-23 which is now referred to the committee of the whole.

I therefore propose that the House seek unanimous consent and issue an order on the last two lines of Standing Order 16 to suspend the private members' hour for today so as to allow us to continue the discussion of Bill C-23.

Mr. Deputy Speaker: Does the House agree?

Mr. Andre: Yes, Mr. Speaker.

Mr. Knowles (Winnipeg North Centre): Agreed.

Mr. Allard: Agreed.

Mr. Deputy Speaker: Do we have the unanimous consent to suspend the private members' hour and go into the committee of the whole to consider Bill C-23.

Some hon. Members: Agreed.

Mr. Deputy Speaker: Under the provisions of Standing Order 54, I now leave the chair to enable the House to go into committee of the whole to consider the bill.