

*Oral Questions*NET VALUE TO CORPORATIONS OF TAX CUT AND WRITE-OFFS
LAST YEAR

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, I wish to direct a question to the Minister of Finance. In view of the fact we have been unable to get from his officials the net value to corporations of the corporate tax cut last year as well as the tax write-offs, can the minister tell us today how much the tax cuts were worth last year, as well as for 1974?

Hon. John N. Turner (Minister of Finance): Mr. Speaker, the reason the hon. gentleman was not able to get those figures is that you have to calculate the gross effect of the corporate tax cut as against increased activity in personal employment, expansion of capacity and expanded production, all of which will bring in renewed tax revenue. So the net figure is difficult to get at.

Mr. Nystrom: Can the Minister of Finance assure the House that the people of the country will have that figure in the next few weeks? Can he also tell the House when we may expect the complete answer to that question?

Mr. Turner (Ottawa-Carleton): Mr. Speaker, I should like to assure the hon. gentleman that these measures have produced 430,000 new jobs in this country.

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PENITENTIARIES

PRINCE ALBERT—MURDER OF INMATE—NOTIFICATION OF
FAMILY—REQUEST FOR INDEPENDENT INQUIRY

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, my question is directed to the Solicitor General and concerns an event that took place in Prince Albert Penitentiary three days ago in which an inmate, Mervin Johnston, was stabbed to death, allegedly by another inmate. The press in Calgary has been very critical of the circumstances connected with the announcement to members of the family of the death of this young man. I spent yesterday trying to look into the matter and feel that it can be cleared up provided the minister will set up an independent inquiry, not an institutional one but an independent inquiry, into all the circumstances because the stories that are going around can only be detrimental to our penal institutions.

Hon. Warren Allmand (Solicitor General): Mr. Speaker, I am advised that the penitentiary authorities tried to reach the wife of the man who was murdered in the penitentiary but were unable to do so. It seems that she was separated from her husband and there was no full address on file; consequently they could not reach her. I shall refer this matter to the penitentiary ombudsman who acts under the Inquiries Act and have her investigate this case for the right hon. gentleman. She is in an independent position and will provide a report.

Mr. Diefenbaker: Mr. Speaker, I take it that is an undertaking that there will be an independent investigation. If it is, I thank the minister for action which can only be beneficial if the facts are as alleged by officials in the penitentiary.

[Mr. Turner (Ottawa-Carleton).]

Mr. Allmand: Yes, Mr. Speaker. As I said, the correctional investigator or ombudsman acts under the Inquiries Act and I will refer this matter to her for an independent investigation.

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FINANCE

THE BUDGET—APPLICATION TO ALBERTA OIL SANDS
DEVELOPMENT OF PROVISION THAT AMOUNTS PAID
PROVINCIAL GOVERNMENTS BY DEVELOPERS NOT
DEDUCTIBLE IN COMPUTING THEIR INCOME

Mr. Peter C. Bawden (Calgary South): Mr. Speaker, my question is for the Minister of Finance. Last night the minister said that revenues derived by provincial governments in respect of production from petroleum or mineral resources should no longer be deductible in computing the income of the operator of the resources. Will the minister tell the House whether this statement in the budget will affect the special arrangements made and being made by the Alberta government with developers of the Alberta oil sands, which exempt the company from tax on the share of profit paid to the province?

Hon. John N. Turner (Minister of Finance): Mr. Speaker, I want to see a competitive return for the development of oil, but that is going to take an interpretation of the provisions of ways and means motion tabled in the House and the contract between the province and the developers.

Mr. Bawden: In view of the extreme importance to Canadians in their long range energy supplies that these developments proceed and proceed quickly, will the minister confirm that the arrangements he made with the company developing the tar sands last fall are no longer valid, that is, the commitment he gave?

Mr. Turner (Ottawa-Carleton): No, Mr. Speaker, that is not what I was saying.

Mr. Bawden: When the first ministers' conference concluded at the end of March it appeared that all matters relating to petroleum revenue sharing were settled. In view of this new and serious change in the sharing of revenues, will the minister say whether it is proposed to bring the first ministers together again to discuss this matter before the legislation is implemented?

Mr. Turner (Ottawa-Carleton): No, Mr. Speaker, not at this time, but the Premier of Alberta has been made well aware of the concern of the federal government as to the availability of its own federal corporate tax base.

Mr. Speaker: Order, please. There are a number of members seeking supplementaries. I will recognize the hon. member for Nipissing.

MEASURES TO EQUALIZE PRICE OF OIL, IF PETROLEUM
ADMINISTRATION BILL NOT IMPLEMENTED

Mr. J.-J. Blais (Nipissing): Mr. Speaker, my question is for the Minister of Energy, Mines and Resources. In view