

Oral Questions

the effect of the DISC program has been minimal on Canadian manufacturing, he is now reconsidering the corporate rip-off which he proposed last May?

• (1420)

Hon. John N. Turner (Minister of Finance): Mr. Speaker, I am not going to accept some of the rhetoric that the hon. member put in his question. The government remains committed to those provisions, Mr. Speaker. Those tax provisions, if approved by parliament, will not only have the effect of compensating for any program of DISC instituted by the United States Congress but any other measures that the United States, the common market or Japan might take in order to pierce and take advantage of a very competitive world market. In view of that, those budgetary provisions of last May are necessary to continue Canada's competitive position for manufacturing and processing industries. In that respect the government remains committed to those provisions.

Mr. Alexander: That's the end of the marriage.

Some hon. Members: Hear, hear!

Mr. Lewis: Mr. Speaker, one should never confuse a gentle courtship with marriage.

Some hon. Members: Oh, oh!

Mr. Lewis: I wish to ask the Minister of Finance whether the statement he made is based on any information he has regarding the effect on Canadian manufacturing exports as a result of DISC, or any analysis which has been made by him or anyone else with respect to the possible effects of Britain entering the European Economic Community, or on what basis his statement, if he can put it briefly, was made?

Mr. Turner (Ottawa-Carleton): Mr. Speaker, I will try to put my answer as briefly as the question was put by the hon. member. The budget of May 8 provided for a tax reduction as of January 1, 1973. Therefore it is still premature to assess the full value of that budget which on the corporate side had medium and long-term structural effects and, I submit, advantages for the Canadian economy. I do not think it needs much imagination to envisage what the position of Canada will be in a competitive world with a protectionist stance in the United States, with Britain, our second largest customer, entering the European Common Market, and with a rejuvenated Japan. I submit to the House, as I did on May 8—

Mr. Speaker: Order, please. The Chair will recognize the hon. member for York South for a last supplementary at this time. We will try to continue with further supplementaries from other hon. members.

Mr. Lewis: Mr. Speaker, I appreciate that the Minister of Finance has announced that he will present his budget on Monday, February 19, but may I ask him even at this time whether the corporate concessions he announced last May are the only ones this parliament will be faced with or whether there are any others?

[Mr. Lewis.]

Mr. Turner (Ottawa-Carleton): Mr. Speaker, the hon. member has anticipated the difficulty I would have in answering that question at this time.

[Translation]

Mr. Speaker: Does the hon. member for Portneuf wish to ask a supplementary?

Mr. Roland Godin (Portneuf): No, Mr. Speaker, I wanted to direct it to the Minister of Manpower and Immigration.

Mr. Speaker: I shall recognize the hon. member in a moment, after allowing a few other supplementaries on the subject now under consideration.

[English]

CORPORATION TAX REDUCTIONS—HIGHER PRICES FOR CARS PURCHASED IN CANADA

Mr. A. D. Hales (Wellington): Mr. Speaker, I have a supplementary for the Minister of Finance. In view of the fact the minister gave the corporations tax credits and tax advantages in his May budget, will he explain to the House why he has not insisted that the car manufacturers sell cars made in Canada at the same prices as cars made in the United States?

Hon. John N. Turner (Minister of Finance): I believe my colleague, the Minister of Industry, Trade and Commerce, was successful in his negotiations with the automobile manufacturers in getting a commitment from them, particularly from General Motors and Ford, that there would be no raising of prices on 1973 models to an extent that I expect we should see some narrowing of the present differential of 8½ per cent at the manufacturers' level between United States and Canadian prices. We should see some considerable narrowing of that differential in 1973. My colleague has also made it clear he will seek from the manufacturers a further narrowing of the differential in respect of 1974 models.

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[Translation]

MANPOWER

INQUIRY RESPECTING EFFICIENCY OF CENTRES

Mr. Roland Godin (Portneuf): Mr. Speaker, I would like to ask a question of the Minister of Manpower and Immigration.

In view of the fact that since the beginning of December a new regulation compels the unemployed to take personal steps to find work, could he tell us if in his opinion the application of this regulation will be enough to boost the economy or if by setting that course he just wanted to prove that he no longer believes in the efficiency of the manpower centres in Canada?

[English]

Hon. Robert K. Andras (Minister of Manpower and Immigration): Mr. Speaker, on the contrary, I would think the efficiency of the manpower centres is increasing regularly. While we are far from perfection, I do not accept the premise of the question.