

● (1750)

**An hon. Member:** He is a real Conservative.

**Mr. McDermid:** I am concerned about what is going on in the province of Quebec and I appeal to the people in Quebec to think very carefully before they cast their ballots on May 20 because this could shake the very foundation of our country for a long, long time.

We in Ontario, and I as a member from Ontario, are prepared to participate in constitutional change. There is no doubt we need it in this country. I think the premier of our province has made that very clear. He has also made it very clear that he will not, in any way, shape or form, discuss sovereignty-association. My constituents feel the same way. They are not prepared to see Canada break up and they are not prepared to discuss sovereignty-association.

**Some hon. Members:** Hear, hear!

**Mr. McDermid:** We can do it within our confederation—there is no question of it. So I plead in my language that those in Quebec vote no, and support all my colleagues in the House of Commons who feel the same way.

I would like, for just a moment, to talk about the economy of this country. I am concerned, as are a great number of people in my constituency from whom I have heard this weekend, that a budget is not being brought down by the Minister of Finance. Obviously he will make a few remarks tonight and I look forward to hearing what he has to say. But I ask him, on behalf of the small businessmen in my area, on behalf of the farmers in my area, and on behalf of those people who invest in Canada and make this country work: will he, for heaven's sake, bring in a budget so that they can do some financial planning and so that they know in which way this government is going to lead the country over the next four or five years?

The Speech from the Throne, if it is any indication, is not good news for the private sector. I am hoping that saner voices will be heard from the cabinet. However, I do have my doubts. I hope they will bring some common sense to the government and bring in a budget that will help the people of Canada. Why will you not bring in a mortgage program to help people with mortgages who are having problems right now? Come on; we promise not to yell flip-flop. Bring in a program to help the small businessman, not to create more Crown corporations. Bring in a program to help the farmer who, I will tell you right now—and I had the pleasure of sitting with the Minister of Agriculture (Mr. Whelan) today and listening to him speak—is in dire straits. The young farmer especially is walking away from his farm, and the banks are selling farms at auctions. So I plead that the Minister of Finance bring us some economic news and some guidelines as to what exactly they will do in the next year or so, because there is an uncertainty in this country within the business community that is frightening.

I should like to close by asking everyone in the House to co-operate by putting petty political judgments aside and thinking carefully of what is happening in Canada. I am

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concerned about what I am hearing in the west, about what I am hearing from Quebec and what I am hearing in my own province of Ontario. It frightens me greatly because I love my country, as I know everyone here in this chamber does. I ask that we put some of our petty differences aside and come together for the good of the country. This is one of the greatest countries in the world, a country which is respected wherever one goes. That respect must be maintained.

**Mr. Speaker,** with your permission, may I call it six o'clock?

**The Acting Speaker (Mr. Ethier):** Is it agreed that we call it six o'clock?

**Some hon. Members:** Agreed.

**The Acting Speaker (Mr. Ethier):** It being six o'clock, I do now leave the chair until eight o'clock this evening.

At 5.55 p.m. the House took recess.

● (2000)

**AFTER RECESS**

The House resumed at 8 p.m.

**Mr. Deputy Speaker:** The hon. Minister of Finance (Mr. MacEachen).

**Some hon. Members:** Hear, hear!

**Mr. Crosbie:** I rise on a point of order, Mr. Speaker, in connection with the statement planned to be made by the Minister of Finance (Mr. MacEachen). I want to say now that we object to this procedure. I want to reserve the right to bring before the House a question of privilege. We think that is the proper course of action, after the minister finishes his statement, or tomorrow. I want to give notice of that now. It was only on Friday that the minister mentioned casually to me—

**Mr. Deputy Speaker:** Order, please. If the hon. member wishes to raise a question of privilege, he is at liberty to do so at the appropriate time, and he knows the rules of the House.

**Mr. Crosbie:** I will make my question of privilege now if Your Honour wants me to do that. My question of privilege is that this is not the correct procedure. The minister is attempting to give, in effect, a budget speech in the debate on the Address in Reply to the Speech from the Throne.

**An hon. Member:** Smuggling it in.

**Mr. Crosbie:** Smuggling it in.

**Mr. Deputy Speaker:** Order. With all due respect, I am not aware of any matter that has been raised by the hon. member so far which falls within the scope of privilege.

**An hon. Member:** Why don't you let him finish?

**Mr. Deputy Speaker:** The Minister of Finance.

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**Mr. Crosbie:** A question of privilege, Mr. Speaker.

**Mr. Andre:** Privilege.

**Mr. MacEachen:** Mr. Speaker—

**Mr. Crosbie:** I would like to be heard on my question of privilege.

**Mr. Deputy Speaker:** The hon. member for St. John's West (Mr. Crosbie) on a question of privilege.

**Mr. Crosbie:** I would like to have a chance to make a question of privilege before Your Honour rules on it. I am giving notice of it now, and I might want to elaborate on it later. My notice is that this is a budget speech being given here in the guise of a speech in the Address—

**An hon. Member:** How do you know?

**Mr. Deputy Speaker:** Order. The hon. member is out of order.

**Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance):** Mr. Speaker, first of all I should like to take this opportunity to congratulate Your Honour on your selection as the Deputy Speaker and Chairman of our proceedings—

**Some hon. Members:** Oh, oh!

**Mr. Crosbie:** It is not in the notes, Allan.

**Mr. MacEachen:** —and also to express through you to Madam Speaker my compliments on her accession to the post of First Commoner. I certainly wish her well as she takes on these very important duties.

As Mr. Speaker knows, this is the first time that I have had an opportunity to speak to the House in a formal way since I have become the Minister of Finance. I want to take the opportunity of thanking so many members of the House on this side, and on the other side, for extending me congratulations on taking on this work. Some have joined their congratulations with commiserations, but nevertheless, I appreciate the good will which has animated their good wishes. At the same time I should like also to express my real satisfaction that the mover of the address in reply (Mrs. Côté), and the seconder (Mr. Frith), in their speeches have revealed to the House once again that new members come here with idealism and dedication, and in their first appearance are able to stir the House more deeply than members who have been here for many years.

**An hon. Member:** That is a great introduction.

**Mr. MacEachen:** I regret, in a way, that the hon. member for St. John's West (Mr. Crosbie) indicated that I am proceeding in an irregular way and, of course, I will debate that allegation with him later on. But my purpose in rising tonight is to clear up some unfinished business extending from the last two Parliaments, and to give the House background informa-

tion on the fiscal and economic situation which faces us as we consider the new business to which the Speech from the Throne referred.

The unfinished business concerns the status of tax measures which were introduced in the December 11, 1979, budget, and indeed of certain measures that still remain outstanding from the November 16, 1978, budget, measures which have not yet received parliamentary approval.

I would recall that roughly two months after the election of last May the then minister of finance issued a press release setting out his intentions with respect to tax and tariff measures which had been introduced by the former Liberal government. He, and the then president of the treasury board, also reported in some considerable detail on the fiscal and economic outlook at that time.

**Mr. Knowles:** In the House?

**Mr. MacEachen:** Had Parliament been in session, they would no doubt have chosen to make this information available directly to members of the House, and that is what I propose to do tonight.

**Mr. Stevens:** For five years?

**Mr. MacEachen:** I want to take advantage—

**Mr. Clark:** Demonstrate contempt for Parliament.

**Mr. MacEachen:** —of this early opportunity to end the uncertainty with respect to outstanding tax measures and to inform the House of the fiscal situation as I find it on taking over my responsibilities as Minister of Finance. Of course I shall also comment upon the current economic situation.

I shall start with the tax measures. Of course the government will not proceed with the increase of 18 cents a gallon in the excise tax on gasoline—

**Some hon. Members:** Hear, hear!

**An hon. Member:** You will tack it on somewhere.

**Mr. MacEachen:** —nor its extension to other transportation fuels proposed in December, nor will it reintroduce at this time the three measures affecting taxation on capital gains—the common stock investment plan changes in the treatment of capital gains, in Registered Retirement Savings Plans, and the provision for transfer of capital gains on farming assets to RRSPs.

• (2010)

**Mr. Stevens:** Shame.

**Mr. MacEachen:** I want to consider these and other measures in more detail, particularly in the light of a wide discussion about the role and importance of taxation on capital











