

*Income Tax Act*

Well, they did. The federal government made some proposals and that is how it happened.

But, Mr. Speaker, to give a new impetus to the economy of a country, it is not enough to give help to four industries if we want to make sure that things pick up, especially in view of the dead loss the Quebec government will incur by abolishing the 8 per cent tax in their case, since 2 per cent will be reimbursed by the Canadian government. That loss will amount to something like \$120,000, \$140,000 or \$150,000 depending on the volume of business. The Quebecers should ask their minister of finance, Mr. Parizeau, to reverse his silly decision and accept the proposal of the federal government in which case there is no loss because, as I said before, and I shall repeat it for those who were not here, an increase of 14 per cent in sales would allow a reimbursement to the province of that 1 per cent loss it will incur by reducing the 4 per cent sales tax as opposed to joining the national program that would reduce it by 5 per cent.

Of course, with the benefit of insight after the fact, Mr. Speaker, it is an easy statement to make: Had we been consulted, we would have liked to study an entirely different proposal. I say, Mr. Speaker, that with the results that notorious Minister of Finance has had with the newspaper *Le Jour* on two occasions with his concept of business, as I said before, he seems to live in a world of fantasy. It is no wonder, Mr. Speaker, that he should have preferred to show off in front of the Quebec population and tell them boldly that he was cancelling the 8 per cent tax on furniture, clothing, shoes and textiles. Of course, it was also an unexpected opportunity for him to be forgiven for having taxed children's clothing. Quebec was probably the only province where children's clothing was taxable. By abolishing the sales tax on clothing, footwear, textiles and furniture, he saw this as an opportunity to be forgiven. And it is true, as the previous speaker said, that most of the furniture sold in the province of Quebec is not manufactured in Quebec but in Ontario. I am convinced that Ontario manufacturers will not gain anything from that; merchants and retail dealers of Quebec are the ones who will benefit from this measure. And following the refusal of the province of Quebec—I should not say the province of the Quebec but its present government—to join in a national fiscal program, I do not think that the public will be prepared to further encourage Quebec manufacturers. And I also think, Mr. Speaker, that this is a discriminatory way to stimulate the economy.

● (1522)

If I lived in the Joliette riding and belonged to the Joliette chamber of commerce, the hon. member for Joliette (Mr. La Salle) would know what I think of Mr. Parizeau's proposal, since there are many corporations in Joliette which cannot benefit from this rebate, and neither can the Bigelow corporation which makes carpets in Sainte-Agathe-des Monts, in my own constituency. And these people are outright insulted by

this discriminatory approach to helping Quebec industries and stimulating the economy.

First of all, I am thinking of the unions, of the unionized workers of the Hupp Canada corporation, in l'Assomption, who do not benefit from this rebate, this tax cut, of the employees of Westinghouse in Trois-Rivières, I should say of the 600 Westinghouse employees in Trois-Rivières, of the employees of the Raleigh corporation in Waterloo, Drummondville, Cowansville or elsewhere in the province of Quebec, who do not benefit from it either. In Saint-Germain, for instance, Pacific Mobile, with 300 workers, is excluded from this tax cut, as are the 700 Lowney's employees in Sherbrooke who are terribly discriminated against because they have not been chosen to benefit under this national program.

In this case, Mr. Speaker, it is only normal that workers who manufacture cans should stage a demonstration in Quebec City because the sales tax on those products is going up by 5 per cent. I wonder, Mr. Speaker, why some unions in the industries I mentioned did not stage any demonstrations in Quebec City to demand that 3 per cent tax cut on their products, which would have allowed the province of Quebec to increase its revenues and to stimulate its economy, without having to suffer a loss in tax receipts for all that, because as I was saying earlier, a 14 per cent increase in sales compensates for this 1 per cent cut.

So, it is quite unbelievable, Mr. Speaker, that the Quebec minister of finance, who is an economist, did not realize that. No wonder, since he was the one who led his fellow citizens in the venture of *Le Jour* and he is responsible for salary lost by a great number of journalists when this newspaper went bankrupt. There are so many things that could be said on the manner in which the economy of the province of Quebec is managed, Mr. Speaker. We learned recently, we read this week press reports about replies to questions put by the opposition in Quebec City, that members have been calling for the tabling of the Bonin report, a report which has reviewed the economic opportunities of the province of Quebec should it separate, that is the separatist government is bent on proving, by means of well-organized propaganda, that the separation of Quebec could be to the economic advantage of Quebecers. It is quite an aberration to believe this, but that is what they are dreaming about. So, a high official by the name of Bonin was asked to conduct a study. This study has been completed but Mr. Lévesque refuses to table it as his premise that separation was economically favourable for Quebec is disproved in this report. And I would bet my last dollar, Mr. Speaker, that this report will never be tabled.

Instead of selecting four so-called "soft" Quebec industries, Mr. Speaker, they could have given some thought to traditional sectors of the economy. There is a saying in Quebec which goes this way: a healthy construction industry means a healthy provincial economy and they say in the United States: that if the automobile industry is doing well, so is the U.S. economy