

Mr. Speaker, I ask the parliamentary secretary if he can explain to me why the Fish Lake complex has been delayed for many months, when the Toosey Indian council met with me and Indian Affairs officials here in Ottawa and to my knowledge a bona fide contract was agreed to.

Mr. Ross Milne (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Mr. Speaker, it is true that the Minister of Indian Affairs and Northern Development agreed to transfer the complex of buildings at Fish Lake and gave the band the assurance it would be done very quickly. On looking into it, however, and on proceeding with the transfer we came across some legal complexities that took a great deal of time to work out. In addition, it was necessary to negotiate an agreement between two departments.

I apologize to the hon. member and, through him, to the band for the delay. It was not in keeping with the undertaking given two or three months ago, and we will make every effort to have things completed by June 1.

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FINANCE

SALES TAX—NEWFOUNDLAND PROPOSALS

Mr. John C. Crosbie (St. John's West): Mr. Speaker, I have a question for the Minister of Finance. The minister has said that he consulted the provinces before April 10 on his sales tax scheme, before he took his swan dive, in the sense that he sought information or advice from the provinces on that scheme.

As it relates to the province of Newfoundland, did the minister of finance of that province suggest that the reduction should be for a longer period than six months on the sales tax, and how long did it take the minister to think about that and reject the advice?

[Translation]

Hon. Jean Chrétien (Minister of Finance): Mr. Speaker, the ministers of finance made all kinds of suggestions during the negotiations and the minister of finance of Newfoundland, along with others, suggested the possibility of extending the period. Of course, as we pay the whole amount in the case of the maritimes, they would have preferred that the cut be in effect for more than six months. On the other hand, other ministers had to contribute. Besides, under the circumstances, the federal treasury could not apply this measure for more than six months.

[English]

Mr. Crosbie: A supplementary question, Mr. Speaker. Is the minister saying that because the four Atlantic provinces were offered 100 per cent compensation by the federal government, anything they had to suggest or say was not taken into consideration? Is that the kind of consultation there is with the economically depressed provinces in this country, that any views they have are to be ignored because they are not making

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their own contribution? Is that the kind of consultation that went on?

Mr. Chrétien: Mr. Speaker, that is absolutely not what we said. They made the suggestion. I have looked into that. I have only to cite the minister of finance of Ontario who was asked the same question after the budget and said he was not willing to go for more than six months. For one reason, he could not afford it.

SALES TAX—STATEMENT OF QUEBEC MINISTER OF FINANCE ON ACCEPTANCE OF PROPOSALS

Mr. Joe Clark (Leader of the Opposition): Mr. Speaker, I have a question for the Minister of Finance. The minister will have noted news reports from Quebec by Canadian Press which quote Mr. Parizeau as saying:

I repeat that I never accepted the Chrétien plan for sales taxes; that he knew of it at that time and that he was told so again not on the eve but the very afternoon that he tabled his plan in the House.

Is it the position of the Government of Canada that Mr. Parizeau, in making that statement was, if I may employ this phrase, "deliberately misleading" the National Assembly?

Hon. Jean Chrétien (Minister of Finance): Mr. Speaker, I think if he said he has not accepted the plan, of course he has not accepted the plan. He said, "I will give you the answer after the budget" and he gave me the answer 48 hours later. What I have said is that he never rejected or accepted definitively the plans before the budget. In fact, he said so himself when he said to me—and I put it in my speech—that I was to receive an answer from him in the next few days. If he had already given me the answer, why would he have asked for two more days before replying?

Mr. Clark: A supplementary question, Mr. Speaker. Coming back to the mistake on the part of the minister which caused this problem, why did the Minister of Finance proceed with a proposal that involved the movement of the Government of Canada into the jurisdiction of the province of Quebec without the agreement of the province of Quebec to that interference?

Mr. Chrétien: Mr. Speaker, what we always said and always affirmed is that we were to cut our income tax and vacate the field so that the provincial government could move in. Mr. Parizeau did not want to say yes or no before that. He knew what was happening in other provinces. I had to proceed with my budget. The eight other ministers whom I consulted were in agreement with that scheme and had the approval of their cabinets. Mr. Parizeau did not want to go ahead. But I had a budget and I had to proceed with it, and that is exactly what I did.

Mr. Clark: A final supplementary question. Does the minister not recognize that he could have avoided all this difficulty, all this disruption in the nation, all this discord in the Liberal party in the province of Quebec, had he simply taken the precaution of ensuring that before the Government of Canada