

Oral Questions

Now that the Quebec minister of finance, Mr. Parizeau, has put forward such a proposal, one similar to that put forward earlier in the week by Claude Ryan, the Liberal leader of the province of Quebec, is it the intention of the Prime Minister or the Minister of Finance to modify their rigid position regarding the provincial sales tax and to meet with their counterparts in the province of Quebec to discuss the Parizeau proposal?

[Translation]

Hon. Jean Chrétien (Minister of Finance): Mr. Speaker, the right hon. Prime Minister has repeatedly stated that we were prepared to discuss with the provincial government. This is the first time it gives us any sign of life, and it did so through a press conference rather than through direct channels. We are still willing to meet with its representatives. This is the first time since budget night, that they have given us any sign of life; if they want to meet with us we will wait for their call or their communication. I read, like the hon. member, Mr. Parizeau's position and I am happy to see that people now realize that it was our right and prerogative to act as we did, that is to reduce the federal tax to compensate for the money which Quebec did not want to accept. Whether that would be in 1977 or 1978, as I said two weeks ago, it is a question of terms and we are quite ready to discuss them with anybody. In any event, our intention is to reduce federal income tax for Quebec taxpayers.

[English]

Miss MacDonald: Perhaps the minister would use the forum of the House of Commons to indicate whether he would be prepared to meet with his counterpart from the province of Quebec. Since the Parizeau proposal recognizes the provincial right to set its own priorities with regard to reductions in provincial sales tax, has the Minister of Finance contacted any of the provincial ministers of finance, particularly the minister of finance of the province of Manitoba to offer this same course of action rather than the one which was dictated to them on the night the budget was brought down?

Mr. Chrétien: Mr. Speaker, that is a very bad misrepresentation of the situation. For three weeks before the budget I had discussions with the ministers of finance. I told them I would like to hear from them, yes or no, the day of the budget. All of them complied. Every one of them had the plan approved by their own cabinet before calling me back. Only Quebec refused to go along with the gentlemen's agreement whereby we were to be contacted the night of the budget.

As far as talking with Quebec is concerned I said in French a minute ago that I have been waiting since April for the Quebec government to show some compromise. I have made three propositions to them. Never have they made any counter-proposition. All along I have respected the right of the provinces to do what they want in their budgets, just as I have kept the right to do what I want in my budget, and that is to cut federal income tax.

[Miss MacDonald (Kingston and the Islands).]

REQUESTED WITHDRAWAL OF BILL C-56

Mr. Heward Grafftey (Brome-Missisquoi) Mr. Speaker, at the risk of being labelled an unrepentant separatist bent on the whole destruction of my country—

[Translation]

—I should like to put a supplementary to the Minister of Finance. In view of the statement Mr. Ryan made last week, and that of Mr. Parizeau over the weekend, and the questions put in the House of Commons this afternoon by the hon. member for Kingston and the Islands, I should like to know whether the Minister of Finance is now willing to withdraw Bill C-56, on the sales tax, for a month, and accept the amendment suggested by the opposition in order to renegotiate a sales tax agreement with the province of Quebec?

Hon. Jean Chrétien (Minister of Finance): Mr. Speaker, I can see how embarrassed the hon. member is, since on Thursday last, when the Progressive Conservative party said it was willing to send a cheque directly to the Quebec government, on the very same day the proposal made by Mr. Ryan said nothing of the kind. His proposal was to the effect that we were completely entitled to reduce our income tax, which is what we are now doing. The provincial government is perfectly entitled to do what it wishes with its sales tax, as Quebec did when it acted unilaterally according to its own priorities.

At this point, we want to reduce income tax, as we did in the other provinces; it is strictly a matter of ways of achieving this. But I can understand the embarrassment of the hon. member who made a proposal to the Parti Québécois. He cozied up to that party and on the same day they are told it is no longer a cheque they want, for they are willing to increase their own taxes, and that we have been saying for several weeks.

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● (1452)

[English]

PUBLIC SERVICE

ERROR RATE IN CLASSIFICATIONS

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, I would like to direct a question to the President of the Treasury Board based on a memo in his department dated November 17, 1977. It reads as follows:

The recent audit of personnel administration position classifications showed 262 positions of 1,176 positions reviewed were mis-classified, for an error rate of 22 per cent. This situation is serious as the relativity is threatened throughout the PE group if no corrective action is taken. Such action must be effective and immediate if the group is to retain its credibility within the public service.

What effective action has the President of the Treasury Board taken with respect to this very unacceptable situation? I ask this question because apparently many within this group who were overclassified, to the tune of 19.3 per cent, are responsible for classifications in the public service. What action has the minister taken in this regard?