Can the minister explain to the House how it is possible for the government to proceed with this program, which clearly infringes upon provincial jurisdiction, at a time when the Government of Canada has already done so in the area of provincial sales taxes? Can the minister, further, explain how he can proceed with this program when two of the largest provinces in this country, Ontario and Quebec, are clearly unhappy about it? Indeed, the province of Quebec is not prepared to go along with it.

In light of that, is the minister now prepared to announce that he will call his provincial counterparts together to discuss the proposals that he outlined to them by telex? Is he, at least now, prepared to sit down with them because it is obvious the program does infringe upon provincial jurisdiction?

Mr. Ouellet: Mr. Speaker, my answer is that I have not outlined the federal proposal in a telex: it was outlined to them at the time of the federal-provincial conference. After that federal-provincial conference it was discussed by officials of both the federal and provincial authorities. It was also discussed at the first ministers' conference. It was confirmed in a telex that was sent. Therefore, there was a series of activities which took into account a series of consultations with the provinces in arriving at a program that would allow the local authority to create jobs at the local level and have programs that are urgent in various parts of Canada.

What we want to do—and I do not know how the hon. member can find this unconstitutional—is put \$150 million at the disposal of the provinces to approve municipal projects that will create jobs in Canada now, for the best advantage of Canadians.

Mr. McGrath: Perhaps the minister will explain to the House and the country what constitutional authority he, as a minister of the government, has for funding hockey rinks, libraries and daycare centres which are clearly within provincial jurisdiction.

In light of the very delicate fabric of the confederation that holds this nation together, because of this kind of confrontation antic, is the minister now prepared to go to Quebec City and meet with Mr. Tardif, who yesterday expressed grave concern in the Quebec National Assembly over this penchant for dealing in provincial jurisdiction? Also, will he meet with his provincial counterpart in Toronto? Failing that, is the minister now prepared to withdraw that program?

Mr. Ouellet: My answer is yes, Mr. Speaker; in fact, I spoke with Mr. Tardif over the telephone yesterday. He will decide when we will meet. I indicated to him that I am ready to meet him. He is supposed to call me back to tell me when and where we will meet, possibly next week.

In answering the second part of the hon. member's question, the program proposed to the provinces for municipal projects is a continuation of sectorial programs in which the federal government is active. It has received the support of members from both sides of the House. I am referring in particular to the sewage treatment program, to the Neighbourhood

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Improvement Program and to the municipal incentive grants where the federal government is paying for municipal projects.

• (1122)

We have said we shall continue these programs. We shall not only allow these three types of programs to continue, but we shall allow the municipalities and the provinces more flexibility in choosing schemes under these three types of projects or seven other categories of projects which could be considered priorities by the municipalities. This is a very flexible program we have put forward for good projects which are creating jobs in Canada.

Some hon. Members: Hear, hear!

Mr. McGrath: Flexible sewers.

FISHERIES

INTERIM AGREEMENT BETWEEN CANADA AND UNITED STATES

Mr. Stuart Leggatt (New Westminster): Mr. Speaker, I should like to direct a question to the Minister of Fisheries. It has to do with the dispute on the west coast of British Columbia in relation to the salmon fishery, and the interim agreement.

Can the minister now confirm that the decision taken by his officials in not allowing Canadian fishermen to fish on the Swiftsure Bank in Canadian territorial waters was not connected with conservation but was taken because there was hope the Americans might respond under the terms of the interim agreement? Can the minister confirm that it had nothing to do with fish escapement?

Hon. Roméo LeBlanc (Minister of Fisheries and the Environment): Mr. Speaker, the recommendation was made by the officials and I agreed to it in a telephone consultation. This was a last-minute negotiating point. We know there is a problem at a certain time of the year on the Swiftsure Bank in the catching of capelin and small salmon. We recognize that this is a conservation problem. We did not agree in this case with the U.S. negotiators or with the U.S. conservation experts, but we did not wish to put ourselves in the position of jeopardizing increased access to the American zone by failing to live up to our undertakings in the negotiations and confirmed in the agreement.

Mr. Leggatt: Can the minister confirm that under the terms of that interim agreement, Canadian fishermen were to be allowed to fish off the state of Washington commencing May 1 and that, in fact, a decision has still not been made by the United States authorities? Canadian fishermen still do not have the right to fish off the coast of Washington, and they have already lost almost a month's fishing. In other words, the United States has failed to live up to any of the terms of the agreement to date, while we have and we have been prejudiced as a result.