Income Tax Act

What we want to do is to save Canada, Mr. Speaker. To save Canada it is necessary to remove the Prime Minister and his government from office in this country, not save the neck of the Parti Québécois. They can look after their own necks. As somebody once said, "some neck, some chicken". Winston Churchill said that. I tell you the Parti Québécois has got a neck that the Prime Minister of this country cannot deal with. The people that are going to be able to deal with that neck are we on this side when we take office.

Some hon. Members: Hear, hear!

Mr. Crosbie: The Prime Minister's position, Mr. Speaker, was given also yesterday in *Hansard*, May 17. Speaking at page 5508 he said:

The minister has taken a position, and this position is supported by the government and by every member on this side of the House.

He was intimating that there was a surge of support over there. There is one "Serge" I heard is not supporting them. And further down he said:

We have taken a position and we are going to stick with it.

Well, Mr. Speaker, if the Prime Minister sticks with it then certainly he is finished as an apostle of national unity in this country. What the Prime Minister is practising is rigor mortis federalism. The Liberal party and the government are dying and they are entering into a state of rigor mortis. The old co-operative federalism is gone and it is rigor mortis federalism now. They never deviate. The Prime Minister and the Minister of Finance decide what federal-provincial relations are going to mean. They decide what the provinces will do with their sales tax; they decide what Quebec is going to do; they decide what Newfoundland is going to do; and they are able to enforce their decision because Newfoundland got complete reimbursement from the federal treasury. Quebec did not.

When somebody comes up with a better suggestion, "No, we won't budge, we won't move, we are stiff, we are rigid, we are Trudoids, we're Liberals in power in Ottawa, we have rigor mortis, we can't move a muscle, we can't respond." So co-operative federalism has now degenerated into rigor mortis federalism.

An hon. Member: And to the death of the Liberal party.

Mr. Crosbie: And to the death of the Liberal party, that is good. We think that that is an advantage. And from the decaying corpse of the Liberal party will spring in a few years' time perhaps some fresh flowers such as those that adorn the Prime Minister now when he speaks to us in the House in question period.

Here we are, Mr. Speaker. We can have a unitary state. If we want a unitary state—and I presume the people of Canada deserve that—we could vote to do that, do away with federalism and we won't have any problems. We could have the government in Ottawa decide everything, as they do in the United Kingdom. But since the people have not decided that yet, Mr. Speaker, we have in Canada vast inequities because we have provinces. We have in the province of Newfoundland

a gasoline tax of 25 cents a gallon; we have in Alberta no gasoline tax and in the other provinces a very small gasoline tax. Well, we are prepared to put up with our high gasoline tax if it means that we have our own local government, at least for the province of Newfoundland. If everything is not decided up here in Ottawa, we are prepared to sacrifice something. We know that if we lived in Alberta we would pay no gasoline tax at all.

The country in that sense is balkanized. We know that we are paying 11 per cent sales tax and in Alberta they are paying no sales tax. It appears to be unfair. Presumably, if we wiped out all ten provinces we would all be treated exactly the same from one end of the country to the other. But would we want that? We would no longer be a federal state. That is where this government is leading us to. If Quebec wants to make its own decision on what exemptions it is going to grant in its own direct sales tax, Mr. Speaker, and that is not permitted because it is supposed to be balkanization, then that means the end of federalism. That is where we are headed to if the Prime Minister's attitude is the one that wins the day.

Look at the statement put out by the Minister of Finance on May 15. Just look at this for arrogance, Mr. Speaker. Page 1: I have also written to Mr. Parizeau today to explain my resolution of the dispute over the retail sales tax reduction in the province of Quebec.

How can the Minister of Finance of Canada by himself solve this dispute? He is a nice man and I genuinely like him, but he has been too long in office. Just listen again to the monumental arrogance of that statement:

I have also written to Mr. Parizeau today to explain my resolution of the dispute over the retail sales tax reduction in the province of Quebec.

The Minister of Finance of Canada has spoken. He is saying: "The dispute has been resolved. This is my ukase, I am like a Russian czar, when I speak everyone must bow". This is a statement issued by the Government of Canada. Now, Mr. Speaker, we proceed with the statement at page 2:

The federal government should not be party to an arrangement which interferes with the flow of goods in the Canadian common market.

What bourgeois! It pays Newfoundland hundreds of millions of dollars in tax equalization, and Newfoundland uses it to interfere with the free flow of goods because Newfoundland will use it to buy Newfoundland first if it can, the same as Quebec does, the same as Ontario does. The government is in a conspiracy to interfere with the flow of goods in the Canadian common market every day of the week with the money they are giving the other provinces through tax equalization and the like. So don't give us such statements as: "The government will not be a party to such an arrangement." The government in its arrogance does not even know what arrangements it is party to any more.

• (2152)

On page 3 the minister has this to say:

I have discussed this arrangement with my colleagues in each province. They all told me they would have preferred Quebec acceptance of the original proposal.

I do not believe it. I do not believe the statement "They all told me they would have preferred Quebec acceptance of the