

● (1720)

Mr. Speaker, exemptions for such works were maintained in the 1980 legislation which was unanimously passed by the House because they generate a very low demand for local services and because they do not provide shelter. We know that local services are related to individuals and are provided for workers. However, a structure such as a breakwater hardly needs local services, if any. It should be mentioned that grants for some kinds of structures such as locks, landing strips, basins and breakwaters, would be very costly and I do not think that my colleagues as well as the members of the parties opposite would like the government of Canada to increase taxes in order to pay grants to municipalities.

Mr. Speaker, I think it is advisable to consider amendments as a whole instead of dealing only with part of a legislation providing grants in lieu of taxes. I think it is important to remind the House that the Government of Canada has paid \$400 million to municipalities elsewhere in Canada and \$80 million to Quebec municipalities in lieu of taxes.

Following the consultations—there were indeed consultations concerning this bill, contrary to what one of our colleagues claimed earlier—the matter was examined by a Parliamentary Committee. Various municipalities, as well as provincial governments and organizations, came and expressed their views, and the Minister of Public Works finally announced that at the request of a number of municipalities, a committee chaired by Mr. Jacques Roy would look into grants to municipalities. This committee would act as an appeal board if a problem arose between a municipality and the Government of Canada in connection with a particular project.

I think it is important to remind the House of the reason which prompted the Government of Canada to introduce this bill in 1980. It was simply to behave as a good and responsible government. If we figure out the amount of taxes paid by the Government—I gave some figures earlier, \$400 million in Canada and \$80 million in the Province of Quebec—if we include the cost of indirect taxes paid by the Government for the floor space it leases in privately owned buildings throughout the country, and if we take into account the economic fallout in a municipality, a province or a region when the Government builds an airport or introduces a new service, I think it is important to keep all those benefits in mind. I was a member of the parliamentary committee on the Bill, and I recall that none of the people of the region where Dorval or Mirabel airport is located said: If you do not pay real estate taxes like everybody else, you can have your airport. They knew, of course, that all Canadian Government investments would have significant economic fallout in the municipality. And when the Government pays—with the provincial Government when it comes to education—50 per cent of health costs, it includes as well the real estate taxes which the Government of Quebec gives to the municipalities, but we know that the

### *Excise Tax*

Government of Quebec did not pay 100 per cent of the real estate taxes on behalf of school commissions and hospitals.

Mr. Speaker, I think I ought to repeat my opening remarks and congratulate the Hon. Member for Lévis for defending the interests of his constituents. In my opinion, it is quite normal that each Member should seek to get more money for the taxpayers of his riding. I referred earlier to only one case, the CN Marine ferry, which brought in additional funds and made it possible to create jobs. I repeat, even though the Hon. Member for Joliette was not happy with Bill 38 in Quebec, that I share his view that both levels of government should find solutions to allow for job creation. However, I think it was really the duty of the Hon. Member for Lévis to further as he seemed fit the interests of his constituents, to the same extent that we let the Hon. Member for Joliette defend his own constituents the way he deems appropriate.

It is also important to remember that the setting up of a committee to examine grants to municipalities as announced yesterday by the Hon. Minister of Public Works (Mr. LeBlanc) was indeed the result of a decision. That decision was made further to the recommendations submitted by a task force chaired by Mr. Pollack and it will be remembered that the Pollack Committee was established as a result of representations made by various groups, including the municipalities, the Provinces and the federal Government, requesting that a panel be set up to reconsider decisions that will be made as to the assessed value of specific buildings in specific areas or municipalities, where a municipality would decide on a certain assessment value and where the Government would come up with a different one. Before the decision was made by the Minister, municipalities had no recourse. As a good citizen, the Government has assumed its responsibilities in that area.

**Mr. Deputy Speaker:** Order, please. Pursuant to Standing Order 25(2), it is my duty to interrupt proceedings.

[*English*]

Shall all items listed under Private Members' Notices of Motions preceding item No. 22 be allowed to stand?

**Some Hon. Members:** Agreed.

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### **EXCISE TAX**

#### **REMISSION OF TAX ON BUILDING MATERIALS IN DISASTER AREAS**

The House resumed from Monday, January 19, 1981, consideration of the motion of Mr. Halliday:

That, in the opinion of this House, the government should consider the advisability of remitting the excise tax levied on building materials used in the course of repairing and/or replacing building and other losses as a result of major natural disasters so deemed by provincial authorities.

**Mr. Walter McLean (Waterloo):** Mr. Speaker, it is a pleasure to resume debate on the motion tabled by my col-