

[Translation]

FINANCE

RHOSP—QUEBEC DECISION—GOVERNMENT POSITION

Mr. Maurice Tremblay (Lotbinière): Mr. Speaker, last May 23 the Minister of Finance (Mr. Wilson) announced that contributions to a registered home ownership savings plan (RHOSP) would no longer qualify for preferential tax treatment. Contributors were thus able to withdraw their accumulated funds and spend them as they saw fit without any tax liability.

Over \$2 billion could and still can be freed for injection into new activities likely to create jobs and stimulate home construction and consumption.

Unfortunately, Mr. Speaker, the Government of Quebec has yet to make its regulations consistent with those of the federal Government, as the other provinces did. It goes without saying that the Quebec decision prevents people from spending funds accumulated under the plan, creates a prejudice, and deprives Quebecers of a potential \$300 million purchasing power, whereas the rest of the country stands to benefit from the injection of available funds into the economy.

Mr. Speaker, I urge the Minister of Finance to review the matter and put pressure to bear on his provincial colleague, or to take steps to enable the residents of Quebec, and particularly those of the riding of Lotbinière, to take full advantage of the initiative of our Government.

* * *

EMPLOYMENT

GOVERNMENT'S INDECISION—CONSEQUENCES FOR MONTREAL EAST

Mr. Jean-Claude Malépart (Montreal-Sainte-Marie): Mr. Speaker, it is saddening to see some Conservative Members gloat over their popularity while 5,000 Montreal East workers are on the verge of losing their jobs because of the indecision of the Mulroney Government.

Mr. Speaker, it is saddening to note that their first decision—they were concerned over the image of the Prime Minister (Mr. Mulroney) whose priority was to save face—was to waste \$56 million of the taxpayers' money to change the colour of our military uniforms.

Mr. Speaker, I plead with all Members to put pressure on the Conservative Government and find solutions to avoid the Canadian Vickers shutdown. The solution is quite simple: let the Prime Minister assume his responsibilities, grab the phone and tell the president of the company to stick to the provisions of the previous contract.

With respect to the Gulf refinery, Mr. Speaker, again the issue is quite simple: the Prime Minister ought to ask the

Oral Questions

Minister of Finance (Mr. Wilson) to give any prospective buyer of the Montreal East Gulf refinery the full benefit of the kind of credit the Reichman brothers had when they bought the whole Gulf refinery complex.

Mr. Speaker, in the case of Bombardier, Laforge and other Montreal East industries, again the Prime Minister need only ask his VIA Rail and CN pal to award contracts for 25 to 40 locomotives to be manufactured in Montreal East, and this way we—

Mr. Speaker: I regret to interrupt the Hon. Member, but his allotted time has expired.

ORAL QUESTION PERIOD

[English]

NATIONAL REVENUE

GULF TAKEOVER TAX RULING

Right Hon. John N. Turner (Leader of the Opposition): Mr. Speaker, my question is for the Deputy Prime Minister.

For a number of weeks my colleague, the Hon. Member for Saint-Henri-Westmount, and I have been trying to get to the root of the \$1 billion tax largesse to participants in the Gulf Canada deal.

This morning in an interview published in *The Globe and Mail*, the former Deputy Minister of Finance, Marshall Cohen, had the following to say about that deal:

A couple of times it came up in . . . Priorities and Planning—

And as you know, Mr. Speaker, the Prime Minister presides over that committee.

However, at his press conference last Friday the Prime Minister of Canada said about this \$1 billion tax ruling, and I quote his words:

I can only assume, because there was no involvement by me or anyone else nor would there be in a revenue ruling, that the officers of the Department of Revenue passed judgment—

My question for the Deputy Prime Minister is: Did the Prime Minister and the senior Ministers of the Government who participate in the Priorities and Planning Committee discuss and review the whole Gulf Canada deal, including the tax ruling that now appears to be a part of that deal? And what was the Prime Minister referring to last Friday when he said that neither he nor any of his senior Ministers knew anything about the deal; that it was only the Minister of National Revenue?

Could the Deputy Prime Minister try to reconcile those two statements?

An Hon. Member: They are irreconcilable.