

## FINANCE

POSSIBILITY OF WAIVING OF SALES TAX ON PURCHASES  
OF EQUIPMENT BY PUBLIC TRANSPORTATION  
COMMISSIONS

**Mr. John Harney (Scarborough West):** Mr. Speaker, I wish to direct this question to the Minister of Finance. In view of the fact the need to conserve energy resources dictates in part the use of public transit should be encouraged over the use of the private automobile where practicable, is consideration being given to waiving the federal sales tax as it applies to purchases of equipment by public transportation commissions? If not, why not?

**Hon. John N. Turner (Minister of Finance):** Mr. Speaker, in view of the representations the hon. member has added to his earlier remarks in the House, that is something I will take into consideration.

\* \* \*

## THE CANADIAN ECONOMY

QUEBEC AND ATLANTIC PROVINCES—IMMEDIATE  
MEASURES TO COMBAT INFLATION AND UNEMPLOYMENT

**Mr. Heward Grafftey (Brome-Missisquoi):** Mr. Speaker, my question is based on the figures for inflation issued this morning and is directed to the Prime Minister. As the rate of unemployment and inflation is incredibly high in Quebec and the eastern provinces of Canada and is affecting low income people in particular in those areas, apart from the government's two-price policy for petroleum products what immediate measures are to be taken by the government to come to the aid of citizens in Quebec and the rest of eastern Canada, especially low income people?

**Right Hon. P. E. Trudeau (Prime Minister):** Mr. Speaker, I do not know how immediate the hon. member means, but if he refers to the record he will see that just last week the government proposed and introduced legislation to ensure that the five eastern provinces in particular, to which the hon. member referred, would get the overwhelming share of the \$190 million which was added to the budgets of the provinces by the federal government through our new equalization formula.

**Some hon. Members:** Oh oh!

**Some hon. Members:** Hear, hear!

**Mr. Speaker:** Order, please. The Chair will recognize the hon. member for Northumberland-Durham on a supplementary and then call orders of the day.

REQUEST THAT AGENDA OF FIRST MINISTERS'  
CONFERENCE IN JANUARY BE WIDENED TO INCLUDE  
ECONOMIC MATTERS

**Mr. Allan Lawrence (Northumberland-Durham):** Mr. Speaker, my question is directed to the Prime Minister. In view of the continuing utterances of the Minister of Finance in the House every month that the economic situation is disturbing to him, which is tantamount to admitting failure of the government's policies, and in view

## Oral Questions

of the fact there are obviously no ideas coming from the government—

**Mr. Speaker:** Order, please. The hon. member should ask a question rather than make a speech. We have reached the end of the question period. The hon. member was recognized as we reached the end. He should ask his question because I will have to call orders of the day.

**Mr. Lawrence:** Because energy supply and energy prices will inevitably affect the inflation and unemployment mess, will the Prime Minister consider widening the scope of the first ministers' conference in January to include a comprehensive study not just of energy but of the whole economic mess this country is in at present?

**Right Hon. P. E. Trudeau (Prime Minister):** Mr. Speaker, I would like to deal with that question in a positive way, but I would first point out to the hon. member that there is another interpretation, which is the right one, of the stance of the Minister of Finance, that no matter how much better Canada is performing compared with other countries, he still wants us to improve.

● (1450)

As for the suggestion that has been made, it is a very valid one. I must say it has been anticipated by the government in the sense that the energy conference dates I have proposed are immediately before the conference of Ministers of Finance to be attended by the federal Minister of Finance and provincial Ministers of Finance. They will, of course, be wanting to discuss the very matters suggested by the hon. member, at which time the federal minister will give the usual leadership to the provinces.

**Mr. Speaker:** The hon. member might ask a quick supplementary, following which I will call orders of the day.

**Mr. Lawrence:** Mr. Speaker, this suggestion comes, of course, from one of the premiers and I understand that more are on the way. Can the Prime Minister tell the House if he has replied to the telegram he has already received about this matter from one of the premiers?

**Mr. Trudeau:** There must be a misunderstanding here, Mr. Speaker. If the hon. member is referring to the meeting on energy matters, he is, of course, correct in the sense that the provinces at the interprovincial meeting last summer decided to put this matter before us and to ask for a federal-provincial conference on the subject.

My response was twofold. First of all, I said that we had indeed asked that the subject of energy be put on the agenda of the Western Economic Opportunities Conference but this had been refused by the provinces themselves. Second, I said that we had already scheduled a meeting of the ministers responsible for energy. This was held a few weeks ago in Toronto and I think I wrote to the premiers—perhaps this is the letter the hon. member is referring to—who had asked for meetings at the first ministers' level, suggesting that as soon as the Toronto meeting was over I would be prepared to hear their suggestions regarding a date and an agenda for the first ministers' conference. I think I established a deadline of around December 7 to have responses from them. I have now written to them formally proposing the dates of