

Fiscal Transfers to Provinces

but as a result of pressure the government said it should be made a saw-off, 50 per cent instead of a total cancellation. It is still unfair. The principle still applies. It is unfair because if you are a consumer supplied by a privately-owned utility, through your bill you will be paying income tax to the federal government. If you are a consumer supplied by a publicly-owned utility you will not be paying that federal income tax. That is unfair. I am sure the hon. member said inadvertently that PUITTA is an incentive to private ownership and that we should not offer that incentive to private ownership.

● (2100)

It is not an incentive to private ownership. PUITTA puts on an equal basis publicly and privately-owned companies and is a disincentive to private ownership. It puts private and public ownership on an equal basis. Therefore, it is a misrepresentation when the hon. member for Broadview-Greenwood suggests that PUITTA unamended is somehow equalization for Alberta, which is so rich that it does not need equalization. It is not equalization to Alberta at all.

Mr. Rae: That is not what I said.

Mr. Andre: I am sorry, I heard the remarks.

Mr. Rae: It is a difference of opinion.

Mr. Andre: We will examine the blues. The existence of PUITTA—and I believe these are the exact words of the hon. member for Broadview-Greenwood—discourages provinces from taking over private utilities, and we should not discourage provinces from doing so. It does not do any such thing.

Mr. Rae: I was reading from a government press release.

Mr. Andre: The hon. member is right, he was reading the minister's remarks which were totally wrong.

This matter first arose in December, 1978. The Minister of State for Finance (Mr. Bussi eres) said it was part of a restraint expenditure program which is a twisting around of words. It is not an expenditure restraint program at all. It is a new tax. The government will be able to tax private utilities which it did not tax before because it did not want to tax only private utilities and not public utilities which it was not allowed to tax because of the constitution. Now the government will be able to tax private utilities. It is not restraint. It is new revenue; it is a tax, a tax which was contemplated simply because, fortuitously, it affects primarily the people of Alberta.

When the gurus in finance look for new ways to raise money, this is where they look.

Mr. Evans: Oh, oh!

Mr. Andre: The hon. member should examine the consequences before he shakes his head in the negative. Let him take a look at the bill. I am sure he cannot imagine this government or any government saying, "We are going to tax Ontario or

Quebec, but not the rest of the country." Not on the hon. member's life, would the government design a tax which hits hardest at Ontario and Quebec and not the rest of the country. But since this tax will hit Alberta, it is fine. Members opposite are shaking their heads.

Mr. Benjamin: You can hear them rattling over here.

Mr. Andre: Yes, I can hear them. I wonder when somebody over there will take the time to stop and look at their policies and the things which they are doing and think for a minute and say to themselves, "Gee, are all those people who are joining separatist parties and talking about alienation out west bananas? Is there something in the air out there, or do they, perhaps, have some complaints at which we might take a look?"

This bill is nothing more than fuel for the next West-Fed meeting. This national government, which represents all of Canada, has simply found another way to tax Alberta more than the rest of the country. The government is merely giving more fuel to the West-Fed movement. When does it intend to stop and smarten up and become a national government for the whole country? It is pathetic in the extreme.

I would think that the Minister of State for Finance who has fought separatism in Quebec and who must feel strongly about this country in the sense that he would like his constituents and the people of his province to feel a part of the national whole, would have some understanding of the feelings which exist now in the west when, time after time, including again today, this government in Ottawa comes forward with a proposal designed to hit Albertans a little harder than the rest of the country. It is not the money, because the amount involved is not that large. I agree with the hon. member who just spoke in that regard.

The principle embodied here should not apply. Albertans should not have to beg for fair treatment; it should come as a part of being Canadian.

Some hon. Members: Hear, hear!

Mr. Andre: We are getting tired of begging for fair treatment, tired of trying to explain why we feel frustrated, alienated and angry. We should not have to explain. Any national government concerned about the whole country should be aware of the situation automatically, but apparently it is not. After all, it does not need votes from Alberta when it can form a national government without the votes of that province. So, why the hell bother being fair? What the government needs is money, so it can buy more votes where it counts, here in central Canada. That is the principle behind this bill.

We from Alberta have a minister in this government, Senator Bud Olson. On June 27, 1966, when Senator Olson was a member of this House he said with regard to PUITTA, as reported in *Hansard* at page 6893:

I suggest that the purpose of this bill, for which I commend the Minister of Finance—is simply to provide a measure of justice to those citizens of Canada in areas that are served by privately-owned utility companies, because certainly the only way in which privately-owned companies can get the money with which to pay the federal corporation tax is through the rates charged to their customers.