

Oral Questions

● (1452)

Mr. Chrétien: Mr. Speaker, I would rather have no budget at all than have budgets like the ones proposed by the Tory government of Ontario—

Some hon. Members: Hear, hear!

Mr. Chrétien: —and the Tory government of Newfoundland, both of which have increased taxes. I find it unbelievable that the Premier of Ontario is sending telegrams asking this government to stimulate the economy, when less than two weeks ago he increased taxes for the people of Ontario by \$350 million.

Some hon. Members: Hear, hear!

Mr. Clark: Mr. Speaker, will the minister answer the question? Is the minister now in active consultation with the ministers of finance of the various provinces, with an eye to convening a conference of the provincial ministers of finance next month so that there can be some agreement on general economic policy?

Mr. Chrétien: Mr. Speaker, I had consultations with the ministers of finance about a month and a half ago. Because their deficits are less than the federal government's I asked them to stimulate their economies. I recognize that the minister of finance for Saskatchewan agreed with my argument. But as far as the Tory governments of Ontario and Newfoundland are concerned, they were not too positive about it. I am ready to meet them, but if they are as responsive as they have been so far, in increasing taxes, it is better for me not to ask them.

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NATIONAL SECURITY**LEGALITY OF TASKS PERFORMED BY SECURITY SERVICES**

Mr. Elmer M. MacKay (Central Nova): Mr. Speaker, I have a question for the Solicitor General. Since there are now, despite ministerial denials earlier, several illegal acts on the record by the security service, has the Solicitor General satisfied himself that no illegal acts have been committed, directly or otherwise, by the Security Planning and Analysis Branch since its creation a few years ago? Can we have his unequivocal assurance on this score, in the same way as his predecessor assured the House and the country with reference to the conduct of the security service, with so little basis in fact?

Hon. J.-J. Blais (Solicitor General): Mr. Speaker, I assure the hon. gentleman knows what the responsibility of the Security Planning and Analysis Branch is, and that it is not an operational branch. Unless he has some indication of specific areas where lack of operational ability could lead someone into trouble, I would have to indicate that his allegations are completely unfounded.

Mr. MacKay: Mr. Speaker, I am always ready and willing to assist the Solicitor General. Since this group has, and has had, individuals employed, such as Messrs. Cobb, Armit, Banning and Schultz, among others, who have in the past been operational, does he still maintain to the House and the country, unequivocally, that the Security Planning and Analysis Branch is purely and simply a passive and non-operational analytical group, as has been maintained up to this point? Is that what he is telling the House unequivocally?

Mr. Blais: Yes, Mr. Speaker. Indeed, I might point out to the hon. gentleman that if he is relying on the story which appeared in the *Globe and Mail* this morning—he referred to one gentleman who was mentioned in that particular story—he is, in fact, a gentleman who did have a role in terms of security planning which is a role he played, as well, when he was involved in "G" branch, dealing not with operations but with security planning.

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[Translation]

AGRICULTURE**REVISION OF SUBSIDIES TO QUEBEC MILK PRODUCERS—
GOVERNMENT POSITION**

Mr. Raynald Guay (Lévis): Mr. Speaker, my question is directed to the Parliamentary Secretary to the Minister of Agriculture. Following the numerous representations which have been made, I would like to know whether there are new developments on the withholding of subsidies to milk producers in Quebec and all over Canada?

Mr. Yves Caron (Parliamentary Secretary to Minister of Agriculture): Mr. Speaker, considering the conflict between both federations in Quebec which resulted in a quota surplus of 2 per cent on the production market, the chairman of the Canadian Dairy Commission decided to hold back subsidies to milk producers for January 1978. I must assure the hon. member that since last Friday there were many negotiations between the chairman of the Canadian Dairy Commission and both federations, and the Canadian Dairy Commission decided unilaterally that if both groups have not come to an agreement by tomorrow evening, it would issue the cheques to industrial milk producers in Quebec.

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[English]

NATIONAL SECURITY**REVIEW OF CORRESPONDENCE WITH RCMP AGENT**

Mr. Jake Epp (Provencher): Mr. Speaker, I would like to direct my question to the Solicitor General. It is supplementary to the question put by the hon. member for Central Nova, as well as earlier questions that were asked of the minister on this topic.