

*Oral Questions*

**Mr. Trudeau:** Stated in that form, the question is hypothetical, but I will try to answer it nonetheless by repeating my earlier statement. I know from President Ford and from Secretary Kissinger that they consider they have good relations with Canada. Secretary Kissinger publicly stated here that there is no country with which they have closer ties and better communications than Canada.

**Mr. Baldwin:** That is when the switch was open.

**Mr. Trudeau:** He also said, "I consider our relationship to be very healthy". This is enough for me, and if Ambassador Porter has views to convey, it is just possible that he should be conveying them to this own government rather than in this particular way.

**Mr. Broadbent:** Since the reputation of the new ambassador, who will be coming to Canada before long, is, from the Canadian point of view, one about which we should be even more apprehensive than about that of the present U.S. ambassador—

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

**Mr. Broadbent:**—and I say that with care—considering his reputation in making statements about the internal affairs of other countries, I would like the Prime Minister to make it clear, not only to the present U.S. ambassador but to the future U.S. ambassador, that that kind of behaviour is totally unacceptable in Canada.

**Mr. Baldwin:** After he has heard you, he might not come.

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[Translation]

**FINANCE****REQUEST THAT BASIC INCOME TAX EXEMPTION BE INCREASED**

**Mr. Léonel Beaudoin (Richmond):** Mr. Speaker, I wish to direct a question to the Minister of Finance.

Considering that the cabinet is now busy drafting the forthcoming Speech from the Throne, a speech which will reflect on the gist of the next budget, and since a great many Canadian workers, witnessing the constant erosion of their purchasing power, are vainly trying to compensate for this loss with already eroded salary hikes, which is also responsible in part for price increases, could the minister advise the House whether he will consider the possibility of increasing the basic income tax exemptions to compensate for this loss in purchasing power?

**Hon. Donald S. Macdonald (Minister of Finance):** As a matter of fact, Mr. Speaker, we are not now considering the projects likely to be included in the budget. However, I take note of the hon. member's suggestion.

[Mr. Broadbent.]

[English]

**TRANSPORT****REQUEST FOR EXPEDITING APPROVAL OF GRADE SEPARATION PROJECT AT MIDLAND AND ST. CLAIR AVENUES, SCARBOROUGH—GOVERNMENT POSITION**

**Hon. Martin O'Connell (Scarborough East):** Mr. Speaker, I have a question for the Minister of Transport, and I also have a supplementary.

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

**Mr. O'Connell:** Will the minister meet at once with representatives from metro Toronto and Scarborough city councils to investigate any causes for delay with a view to expediting approval of the application for regular plus special grants for the grade separations at Midland and St. Clair avenues in Scarborough? I ask this in view of the tragic accident there on Friday, December 12, which has taken nine lives.

**Hon. Otto E. Lang (Minister of Transport):** Mr. Speaker, the processing of this particular application was underway and the final recommendation was being prepared for me in connection with it. I am not sure a further meeting may be required, but I will certainly consider the suggestion.

● (1430)

I should point out to hon. members, however, that even in the original planning for the submission, the earliest time in which the grade separation would in fact have taken place would have been some time in 1977, and the crossing would have been in use until that time. So that however much sympathy one may have for those involved in the accident, the processing of the application would have no effect upon it.

**PROPOSAL TO INCREASE FUNDS FOR GRADE SEPARATION PROJECTS**

**Hon. Martin O'Connell (Scarborough East):** Will the minister undertake to maintain the capital funds available for grants for railway overpasses and underpasses at a level substantially higher than the average of the past three years, in view of the safety requirements of rapidly growing municipalities, especially those with rail commuter systems, and in view of the rapid escalation in construction costs?

**Hon. Otto E. Lang (Minister of Transport):** Obviously, the question of maintaining a fund at a particular level is not one for the minister alone but for the government as a whole. This is an area about which we have a great deal of concern and in which we have had an active interest over the years. There has consistently been a demand for funds in excess of whatever could reasonably be provided, and no doubt that will continue to be the case. However, I am glad to have the support of the hon. member for the application of funds for this purpose.