

rating 100 per cent with the federal government—the Liberal government of the day in Ottawa, so he said:

... finally being made by Ottawa late in the fall. Among these were changes in the proposed method of taxing co-operatives, ...

Honourable senators will recall that our side of the house presented an important amendment regarding cooperatives and the way the GST affects cooperatives, especially those in the Atlantic region. I repeat:

Among these changes in the proposed method of taxing co-operatives, which New Brunswick strongly urged because of the important role played by co-operatives in our province.

Of course, New Brunswick urged, but the federal Liberal members of the day—people like Herb Breau, Eymard Corbin, Jean-Eudes Dubé and others from New Brunswick—were the ones in the trenches here in Ottawa fighting for the cooperatives.

Some Hon. Senators: Hear, hear!

Senator Corbin: The Honourable Edgar Benson, Minister of Finance—Gentle Ben—was a man who understood the fabric of this country. He did not have any notions of seamless webs or what have you. He understood that Canada is made up of a variety of fabrics and so on and so forth. I will not get into that, but he had a gut feeling for Canada.

Senator Simard is delighted that I should quote him in this debate.

Senator Simard: Stick to my statement, though.

Senator Corbin: I am trying. It is like the Bible, it is not the kind of a statement you can read and forget about. You have to comment on it.

Senator Gigantès: If Senator Simard was involved, it is memorable stuff.

Senator Corbin: The Honourable Jean-Maurice Simard continued:

Work and debate on this extremely complex subject continued later than originally estimated. As a result, the province was not able to proceed with its revised tax legislation last autumn, as originally planned. That item of business will be dealt with at this session, so I shall defer any further remarks at this time.

I quote this, Senator Gigantès, to illustrate the state of federal-provincial relations as they existed in those days with a Tory government in New Brunswick, a Liberal administration in Ottawa, and the state of relations today between Ottawa and all of the provinces. There is now a situation where provinces are taking the federal government to court over the GST, something unheard of in the days of Gentle Ben.

Senator Simard continues:

As a direct consequence of the federal government's income tax changes, which included withdrawal from the estate and gift tax areas, six of the 10 provinces decided to introduce their own provincial succession duty and gift

tax Acts. Three other provinces decided to continue, with some modifications, their own succession duty legislation already in effect. As a result of the federal withdrawal and the provinces' subsequent decision to reenter the succession duty field on an individual basis, a great amount of work was required by the six provinces, with technical assistance and advice from federal authorities.

There again is that excellent cooperation between the central government in Ottawa and the provincial government. He continues:

It was a fast-paced, unique and complex exercise in interprovincial cooperation, but it proved once again that our federal structure is capable of attaining high degrees of effective and cooperative action.

What a beautiful picture. It is so well put by the Honourable Jean-Maurice Simard of those days. But where is he today? Where has the federal cooperation gone?

The provincial ministers of finance wanted a summit with the central government this fall. They were denied that opportunity. Ottawa said no way, no cooperation. The only thing that has been happening in Ottawa is the ramming of this legislation through Parliament.

Before you comment on this, Senator Gigantès, I should like to read two or three other brief quotations from the same speech. Later on Senator Simard said:

The major item of business concerning federal-provincial financial affairs over the past year has been our continuing discussions on the new federal-provincial fiscal arrangements.

He went on and said that they had achieved objectives satisfactory to most people. Later on in his speech—I am on page 488—he said:

During the year, negotiations were also initiated on a new method of sharing health costs by the two levels of government.

In the following paragraph he said:

In the fall of last year, the federal government offered the provinces financial assistance to carry out new capital projects during the winter months. They got those programs under very favourable conditions.

• (1610)

Later on in his speech he said:

Mr. Speaker, it has been a very productive year for New Brunswick in the field of federal-provincial relations.

Keep in mind that we are talking about a true-blue Tory administration and a gentle, humane Liberal administration in Ottawa. He goes on to say:

Mr. Speaker, it has been a very productive year for New Brunswick in the field of federal-provincial relations. Although much has been done to establish programs which will benefit our province and its people, there will always remain more to be done.

Those words, Senator Gigantès, were uttered by the Honourable Jean-Maurice Simard, the same person sitting across