

Indian Affairs and Northern Development. We have learned that the Quebec government has again refused to recognize the legitimate fishing rights of the Micmac at Restigouche and has provoked them by withdrawing from an offer which might have settled this matter. Since the fishing season in the Restigouche opens in three weeks, and we do not want to see a repetition of the raids and violence of last year, will the minister tell the House if he will intervene in this matter to negotiate with Quebec and demand a reasonable and just settlement as soon as possible?

Hon. John C. Munro (Minister of Indian Affairs and Northern Development): Yes, Madam Speaker. As a matter of fact I have intervened, in the sense that my officials in Quebec have been talking to the Quebec government this morning. We are urging, and I am urging, the chief and the band to continue discussions with the province. We are urging the province to do that same thing. We do feel disappointed. We thought this was close to resolution a short time ago when there seemed to be an acceptance of the quota. The province has reduced the quota and that has inflamed emotions, but we hope that can be corrected fairly shortly.

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FEDERAL-PROVINCIAL AFFAIRS

PROVINCIAL TAXATION AUTHORITY

Hon. Jake Epp (Provencher): Madam Speaker, my question is for the Minister of Finance. Does the federal government accept the principle that a provincial government has the constitutional authority to tax another level of government, namely, the federal government?

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, I would like to take that question as notice.

CONSTITUTIONALITY OF PROVINCIAL TAX

Hon. Jake Epp (Provencher): Madam Speaker, when the minister takes that question as notice, would he also examine whether the imposition of an employee tax paid by an employer, in this case the federal government, a tax collected by a province, falls within the jurisdiction of the Constitution, namely, what I always thought was a provision whereby one level of government could not tax another level of government?

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, when I took the question as notice it was not to be unco-operative but because of its importance. I will add the second question to the first and provide a reply, after I receive legal advice, as soon as possible.

Oral Questions

FINANCE

REQUEST FOR REMOVAL OF EXCISE TAX ON NATURAL GAS

Mr. Gordon Towers (Red Deer): Madam Speaker, my question is for the Minister of Finance. In view of the fact that the excise tax on natural gas is possibly one of the most abhorrent taxes which has come out of the National Energy Program—not only is it a bad tax, it is a cancerous one—does the minister realize it is adding one third to the home heating cost of all home owners in Canada? Further, if he wishes to help the farmers, the quickest way to help them is to delete that tax since natural gas is the basis for fertilizer and this is the time of year when farmers use a tremendous amount of it. Is the minister prepared to withdraw the excise tax on natural gas?

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, if I had an alternative source of revenue that could be easily applied without objection, I would consider withdrawing the tax. However, I have no such alternative source of revenue.

The hon. member must realize how difficult it is to raise taxes under current circumstances because, as the Treasurer of Ontario discovered, any tax is bound to provoke a reaction from those persons affected.

Mr. Towers: If the minister would withdraw the money which is going into PetroCan-Petrofina it would be a good start toward relieving the tax.

PAYMENT OF TAX BY DISTRIBUTORS

Mr. Gordon Towers (Red Deer): Madam Speaker, the distributors of this gas have to pay the tax even prior to collecting it. This means that the distributors have to borrow the money in order to pay the tax to the Department of Revenue. The Minister of Energy, Mines and Resources said in committee last night that he is prepared to look at that and perhaps give the distributors at least 90 days in which to collect and pay the tax to the Department of Revenue rather than having to do it within 30 days. Would the Minister of Finance at least go that far?

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, yes, I will agree to look at the matter as the Minister of Energy, Mines and Resources undertook before the committee.

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MULTICULTURALISM

SPEECH MADE BY CHAIRMAN OF RACE RELATIONS COMMITTEE

Hon. Steven E. Paproski (Edmonton North): Madam Speaker, I would like to bring to the attention of the Minister of State for Multiculturalism remarks made in a speech delivered on April 23 to a federally sponsored conference on racism in Vancouver. It was delivered by Israel Ludwig, a Winnipeg lawyer and government appointed chairman of the