

*Excise Tax Act*

council of the St. Jean Baptiste societies for the Saguenay district, enjoining us to protest emphatically against the levying of this 11 per cent sales tax on building materials.

Mr. Speaker, there are many reasons why we, especially from the province of Quebec, must oppose the imposition of this tax. Hon. members are aware of the protests made by the Quebec minister of national resources and the mayor of Montreal to the effect that such a tax hampered the future development of the province of Quebec where, these last few years, there has been a remarkable expansion in the building industry.

I feel the present Liberal government has sought to a certain extent to curb the economic liberation that has been undertaken for some time by the province of Quebec. In my opinion, the house must be told about that situation, and I think the only step the government can take now is to exempt from that tax all projects carried out by any provincial agency.

As taxpayers, we can understand, to a point, taxation on an individual basis, but a sales tax of 11 per cent on building materials seems to be the most infamous of all.

Besides, through the taxation of development projects, municipal corporations and provincial organizations in Quebec, we will, in fact, be fined twice. What have Quebec citizens done to deserve such a treatment?

If the present government intended to punish the population of the province of Quebec, it could not have found a better way of doing it than levying this 11 per cent tax on building materials which are going to be used, in Quebec, in the field of public investments as well as in that of private investments.

At this time, the federal government collects in the province of Quebec an amount which is large enough to compensate the equalization payments paid to Quebec. Mr. Speaker, I am convinced that it is our duty to stand against this legislation and I hope the government will finally realize that obviously this 11 per cent tax must be withdrawn.

The government proposes a gradual implementation of this 11 per cent tax, that is 4 per cent at once, 4 per cent next spring and 3 per cent in the fall of 1964. Well, I express the wish that the first 4 per cent will not be imposed, but if it is it would be

[Mr. Lessard (Lake St. John).]

desirable that the percentage to be implemented next April, that is when the next budget is introduced, if the Minister of Finance does introduce one, should be completely abolished, as well as the last portion which is to be imposed in the fall of 1964.

With this, I conclude my remarks, because I do not want to go on forever on that matter and waste the precious time of the house.

**Hon. Theogene Ricard (St. Hyacinthe-Bagot):** Mr. Speaker, I do not intend to prolong this debate indefinitely, but I feel I should not miss this opportunity to point out that we are witnessing today a change of policy on the part of the New Democratic party and the members of the Social Credit party.

When the 11 per cent sales tax was proposed by the Minister of Finance, a group among those hon. gentlemen abstained from voting, while the others voted along with the government. Today, in view of that legislation being most unpopular, well, they want to make good before the people by saying that they will vote for the amendment. They just lost face—

**Mr. Gregoire:** Mr. Speaker, on a question of privilege, on a point of order—

**Mr. Pigeon:** There is no question of privilege.

**Mr. Gregoire:** —I think that the first qualification of a member of parliament is to be intellectually honest and to report the facts as they happen. To my mind, when the hon. member for St. Hyacinthe-Bagot (Mr. Ricard) talks as he did, he does not show any intellectual honesty, because we never voted against the tax, but rather against the schemes of politicians who only think of making political capital.

I therefore submit that the hon. member for St. Hyacinthe-Bagot should rectify his words to be honest with himself and with the house, otherwise he should refer to *Hansard*.

**Mr. Ricard:** Mr. Speaker, we just listened to a speech indicating that the hon. member for Lapointe (Mr. Gregoire) was looking at himself in a mirror—

(Text):

**Mr. Douglas:** Mr. Speaker, on a question of privilege, the hon. member said we were voting against the amendment. We are voting for the amendment and I said so just a few minutes ago. It is also out of order for a member to comment on previous votes, but if