

*Oral Questions*

[Translation]

**EMPLOYMENT****INQUIRY WHETHER QUEBEC MUNICIPALITIES WILL BE ALLOWED TO SUBMIT SUMMER WORKS PROJECTS**

**Mr. Pierre Gimaïel (Lac-Saint-Jean):** Madam Speaker, my question is directed to the Parliamentary Secretary to the Minister of Employment and Immigration. In view of the tendency of the government of the province of Quebec to want to restrict the powers of Quebec municipalities, which was particularly apparent last year when municipalities were prevented from submitting Canada Works and Young Canada Works projects, could the parliamentary secretary inform us whether the province of Quebec has given any guarantees that municipalities will be able to submit Young Canada Works projects in 1982?

**Mr. Rémi Bujold (Parliamentary Secretary to Minister of Employment and Immigration):** Madam Speaker, unfortunately, we have as yet received no work from the government of Quebec whether or not it will allow Quebec municipal authorities to submit projects this year under the Young Canada Works Program. We have had discussions with government representatives, and we hope that this year they will take a more open stance and allow municipalities to submit projects. I would even like to suggest to representatives of the government of Quebec that, in view of their great love for democracy, they should conduct a referendum among Quebec municipalities to find out whether they want any projects.

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[English]

**FISHERIES****FRENCH TARIFF ON COD EXPORTED FROM CANADA**

**Mr. Lloyd R. Crouse (South Shore):** Madam Speaker, my question is to the Deputy Prime Minister and Minister of Finance. Canada's fishing industry is today facing disastrous marketing problems. I ask the minister, since my question deals with tariffs, why does Canada grant preferential fishing rights to France while that country places a 15 per cent tariff against Canadian cod exports, as compared to no tariff whatsoever on Canada's competitors? Will the minister contact the proper authorities in France and the Economic Community, through the contractual link that was set up by the Prime Minister, pointing out that Canada cannot accept this situation and requesting that the tariff be eliminated on Canadian cod exports?

**Hon. Roméo LeBlanc (Minister of Fisheries and Oceans):** Madam Speaker, we have in fact been discussing with the European Community the very question of reducing tariffs against Canadian fish. Until the dollar strengthened, we were sending a considerable amount of fish to the European market. On the question of France, the hon. member surely knows that France is fishing in Canadian waters under a treaty that was

signed a number of years ago. I am sure he does not advocate that we abolish our obligations under that treaty.

On the question of access to the Common market, I will be interested in the hon. member's position if and when we ratify the agreement that was negotiated with the European Community. It will mean that Canadian industry will have to make up its mind whether it wants to have all the fish and full warehouses, or use some of the fish to trade for access to markets.

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**FEDERAL PROVINCIAL FISCAL ARRANGEMENTS****EQUALIZATION PAYMENT FORMULA**

**Mr. Tom McMillan (Hillsborough):** Madam Speaker, my question is directed to the Minister of Finance. Earlier this week the Conference Board of Canada projected that Ontario's rate of growth in 1982 would be worse than any other province in Canada. Given that the Minister's budget now ties equalization payments for the poorer provinces to Ontario's economic performance rather than to a national standard, and given that Ontario's economy is in decline, will he finally agree with the Council of Maritime Premiers, who issued a statement to that effect this week, that under the new formula fewer provinces will qualify for equalization payments and those which do will qualify for less money? Will the minister admit that the new formula is just another way for the federal government to grab revenue at the expense of basic and essential services in the poorer provinces of this country?

**Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance):** No, Madam Speaker. I could not agree with the hon. member in the inaccurate statement which he brought into his question. First, I do not believe that the Ontario economy is in the state of imminent collapse as the hon. member seems to imply. The existing equalization formula has been roundly condemned by all the provinces. It has been disagreed with by an all-party parliamentary task force which concluded that the existing equalization formula should be abandoned. In this current session of Parliament we had to introduce a bill to eliminate the province of Ontario arbitrarily from receiving equalization payments. The necessity was obvious of producing a new formula, which stated that it was apparent that the Province of Ontario was able to provide a reasonable level of public services. Therefore, it would be a standard upon which the equalization is based. That is the approach.

● (1150)

The fact of the matter is rather than equalization payments being reduced, as the hon. member alleges, they will increase under the new formula by about 15 per cent in total from year to year. It seems to me that that is a rather substantial increase in payments to the recipient provinces.