

again this government had reduced import tariffs and so destroyed our industries in Canada, only to realize their mistake today after representations by opposition parties, particularly in Quebec by the Social Credit Party of Canada which indeed clamoured for stricter import controls to boost our production.

Today the minister is boasting about this. But what did he say? He said that the sales tax cut will increase consumer spending. It is a fact. But instead of acting directly under its powers the federal government reduces its taxes by forcing the provinces to increase theirs to pay for the sales tax cut which amounts to 8 per cent in the case of the province of Quebec or two or three points in other provinces.

In fact, as an electoral ploy at the federal level the Minister of Finance announced he was giving a sales tax cut to the people but he forces the provinces to pay for it, as the four premiers of the western provinces pointed out. The Minister of Finance has recognized this fact in his May 17 speech. He said himself on page 5524, that in spite of the answers he gave in this House, at the time of the negotiations he made that proposal but he never came to an agreement with Mr. Parizeau. Even before his budget he admits in his May 17 speech that he never came to an agreement with Mr. Parizeau.

I wish to raise a touchy issue concerning the statements made by the western premiers after that measure. Later they declared that this proposal had been forced upon them when there was an agreement and their cabinet had given its approval except for Alberta. The Minister of Finance recognizes that they never came to an agreement with the province of Quebec and that the four western provinces had been forced to accept an anticonstitutional measure which infringes on provincial rights. So we suggested that instead of asking the provinces to pay for the sales tax cut the federal government should issue a consumer discount, particularly on Canadian products. This would avoid the constitutional issue we are now creating. That example will be used in future to justify breaches of constitutional rights. I wonder what the federal government would do if overnight the province of Quebec were to encroach upon the federal government tax jurisdiction and levy custom duties at Quebec boundaries. I am not sure what the federal government would say. It would complain and scream blue murder. Quebec would be accused of eroding federal rights; yet the Minister of Finance does so directly in forcing the provinces' hand in an underhanded, hypocritical way. The provinces are forced to reduce or raise taxation to pay for the sales tax. The Minister of Finance says himself that he is acting hypocritically. On page 5524, he is recorded as saying, and I quote:

Each time I send a cheque, I consider it as an expense. To avoid any increase in government spending, since everybody complains about the level of spending, we decided to leave some tax room—

Further on he said, and I quote:

—I wanted to do without creating the false impression that we are spending money—

Adjournment Motion

And further on he said, and I quote:

As we are collecting taxes, nobody has noticed what is happening.

That is acting hypocritically to force the provincial governments and make people believe that the government is giving them something.

● (1652)

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

The Acting Speaker (Mr. Turner): Order, please. It is my duty, pursuant to Standing Order 40, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Ottawa West (Mr. Francis)—Public Service; the hon. member for Pembina (Mr. Elzinga)—Post Office; the hon. member for High Park-Humber Valley (Mr. Jelinek)—Transport.

It being 5 o'clock p.m. the House will now proceed to the consideration of private members' business as listed on today's order paper, namely, public bills, private bills, and notices of motions.

May I remind hon. members that the 40-hour limit for private members' business has now been reached, pursuant to section 6 of Standing Order 15, and that there will be no private members' business on Mondays and Tuesdays for the balance of the session.

[*Translation*]

Mr. Jacques Olivier (Parliamentary Secretary to Minister of Labour): Mr. Speaker, all parties have agreed to set aside all bills and proceed tonight with consideration of Bill C-223 in the name of the hon member for Nickel Belt (Mr. Rodriguez).

[*English*]

The Acting Speaker (Mr. Turner): Order, please. It has been suggested that we set aside all preceding bills by unanimous consent and proceed to Bill C-223. Is that agreed?

Mr. Paproski: Agreed.

Mr. Knowles (Winnipeg North Centre): Agreed.