

*Oral Questions*

## REQUEST FOR REDUCTION IN FEDERAL TAX

**Mr. Mel Gass (Malpeque):** My supplementary question is directed to the same Minister. The Minister of Finance said that part of the tax on gasoline, and the reason for the high cost of gasoline, are because of provincial taxation. We all know that the provincial tax is an ad valorem tax which is based on the price of gasoline as determined by the federal Government. If the federal Government wants to reduce the provincial tax the first thing it should do is reduce its own tax, and the provincial tax will automatically go down.

• (1420)

**Some Hon. Members:** Hear, hear!

**Mr. Gass:** When is the Government going to take the first step to reduce the price of gasoline in Canada to Canadians by reducing the tax it has on gasoline, so that the Provinces will automatically follow with a lower tax?

**Hon. Jean Chrétien (Minister of Energy, Mines and Resources):** Madam Speaker, I think the Hon. Member should know that these ad valorem taxes that were put in place were put in place after there was an agreement between the producing Provinces and the federal Government to make sure that Canadian consumers were to have prices lower than the international prices. The break that the agreement was providing for the consumers was not given to the consumer because the Provinces stepped in, put an ad valorem tax on, and did not give the break to the consumers provided for in the energy agreement.

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## THE ECONOMY

## REPORTED REQUEST FOR STIMULATION

**Hon. Edward Broadbent (Oshawa):** Madam Speaker, I have a question for the Prime Minister who met recently with the Premiers of the Provinces to discuss the economy. Data released just the other day from Statistics Canada indicated that investment intentions in Canada for the coming year are going to be down some \$2.5 billion compared to last year. That means the loss of thousands of jobs.

My question concerns the expression of concern that came to the Prime Minister from the Premiers of at least three parts of Canada, Atlantic Canada, central Canada, and western Canada, which all had Premiers who urged the Prime Minister to bring in stimulus now to create some badly needed jobs in the Canadian economy.

I want to ask the Prime Minister, following urging of that kind from this Party on this side of the House in recent months, having just heard from Premiers from three parts of Canada, will he indicate that he is serious about job creation, and promise major stimulus?

**Right Hon. P. E. Trudeau (Prime Minister):** Madam Speaker, the Hon. Member is a victim of somebody's complete fabrication. Nothing of that nature was discussed.

## DISCUSSIONS AT FIRST MINISTERS' CONFERENCE

**Hon. Edward Broadbent (Oshawa):** Madam Speaker, I want to say bluntly to the Prime Minister, either he is misinforming the House, or two Premiers in direct conversations with me in terms of positions they took—

**Some Hon. Members:** Oh, oh!

**Mr. Broadbent:** —are misinforming. To be perfectly blunt, given what has taken place in recent days in this House, I will put my faith on the side of the Premiers.

**Some Hon. Members:** Oh, oh!

**Mr. Broadbent:** I would like the Prime Minister to clarify that. Is he telling the House that no Premiers at the meeting that he had with them recently urged the Government of Canada to bring forward some major stimulus in the economy to produce jobs?

**Right Hon. P. E. Trudeau (Prime Minister):** Madam Speaker, as usual, some of the Provinces were asking the federal Government to give them money so they could spend it. That is the extent of their urging for the federal Government to spend more money to create jobs.

I told them that since the last budget, and I tell the Hon. Member, that since the last June budget we have put more than \$2 billion into programs to create jobs. We do not have to give it to the Provinces so that they can spend it. They can spend their own money. They have their own taxes. Even the two Premiers whom the Hon. Member talked to should know that, and the Hon. Member should have told them, if they do not.

**Some Hon. Members:** Hear, hear!

**Mr. Broadbent:** Madam Speaker, we have seen that remarkable demonstration of the Prime Minister's sensitivity to the truth. In that last answer, no Premiers did it. In the second answer, he is now saying that some Premiers did it.

**Some Hon. Members:** Oh, oh!

**Mr. Broadbent:** Quiet over there on the backbench side.

**Mr. Chrétien:** All in your head.

**Mr. Broadbent:** I will put it quietly but clearly. I would like to ask the Prime Minister to make a vow this year that, for the rest of 1983, he will do his best to tell the truth in the House of Commons.

**Some Hon. Members:** Oh, oh!

**Mr. Broadbent:** The sooner the better for the—