

● (1452)

[English]

INDUSTRY**EFFECT OF QUEBEC SALES TAX PROPOSALS**

Mr. Heward Grafftey (Brome-Missisquoi): Mr. Speaker, my supplementary question is directed to the Minister of Industry, Trade and Commerce. Since a report emanating from his ministry states that 122,000 of the 270,000 jobs in textiles, shoes, clothing and furniture are outside the province of Quebec, and that the policy announced by the national assembly in the province of Quebec to abolish the sales tax in these four sectors will aid employment and stimulate consumption all over Canada, has the minister informed the Minister of Finance of these facts and, if so, how can he possibly support the policy of the federal government which is refusing to negotiate this proposition with the province of Quebec?

Hon. Jack H. Horner (Minister of Industry, Trade and Commerce): Mr. Speaker, the Minister of Finance is well aware of the number of measures taken by this government to help the textile and the shoe industries all over Canada, and if the provincial government of Quebec wants in its own way to help those industries, certainly we appreciate that as well.

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ROYAL CANADIAN MOUNTED POLICE**MCDONALD COMMISSION—EVIDENCE ON SECURITY AND TAX IMPROPRIETIES**

Mr. Elmer M. MacKay (Central Nova): Mr. Speaker, I have a question for the Deputy Prime Minister: it relates to a statement made last Friday that the government was reluctant to table information which consisted of fragments of matters before the McDonald royal commission. In view of the fact that the government has tabled on several occasions matters such as the allegedly secret memo from late superintendent "Larry" Forest to former security director, John Starnes, a letter concerning Warren Hart from Mr. Justice McDonald to the Minister of Employment and Immigration, and for that matter the controversial agreement of the 1972 understanding about matters of national revenue and the RCMP, what is the reason for the apparently illogical conclusion, now, that no further information of this type will be tabled?

Will the Deputy Prime Minister reconsider and on reflection table this letter between these two cabinet ministers which has such an important bearing upon matters of illegality or impropriety affecting tax and security matters?

Hon. Allan J. MacEachen (Deputy Prime Minister and President of Privy Council): Mr. Speaker, I believe there is no lack of logic in the decision taken by the government. It has to do with the fact that there is a royal commission before which witnesses appear and evidence is being produced, and it seems to me that it would be very illogical to begin the process of feeding into the House of Commons or to the media bits and

Oral Questions

pieces of the over-all evidence that will have to be examined by the McDonald royal commission.

If the House of Commons or a committee of the House had established itself as the body to undertake the inquiry that is being conducted by Mr. Justice McDonald, then I would take a different attitude; but at the request of members of the opposition we established the McDonald inquiry and it seems to me that we should make use of it in the proper way. In my view, it would be improper to select one piece of evidence and table it, to the neglect of all the other oral and written testimony that has to be considered.

LEGALITY OF USING INFORMATION CONTAINED IN TAX FILES

Mr. Elmer M. MacKay (Central Nova): Mr. Speaker, I will not give in to the temptation of reminding the Deputy Prime Minister how illogical his position is. I will ask the Solicitor General if he now knows, having had the benefit of checking his files and checking with his predecessor, why, in view of the doubts expressed on one occasion or another about the propriety, if not the legality, of this arrangement in 1972 between National Revenue and the RCMP, this matter was allowed to proceed, and if at any time the government obtained a legal opinion sanctioning this affair. If that is the case, would the Solicitor General consider tabling this legal opinion, for the benefit of the House?

Hon. J.-J. Blais (Solicitor General): Mr. Speaker, the question was aired fully on Friday and the Deputy Prime Minister made the position quite clear with reference to the proceedings before the McDonald inquiry. The Deputy Prime Minister has indicated quite clearly that the matter is to be dealt with in that particular form. As to the other aspect of the hon. member's question, perhaps he might repeat it; I have forgotten what it was.

Mr. MacKay: Mr. Speaker, if you will permit me, I will address a very brief question to the former solicitor general, now the Minister of Consumer and Corporate Affairs. Does the minister acknowledge now, having had a chance to check his files, receipt of the letter which was referred to on Friday from his former cabinet colleague expressing doubts as to the legality of what was going on?

Some hon. Members: Order.

Some hon. Members: Answer the question.

Some hon. Members: Cover-up.

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HOUSE OF COMMONS**CABINET REPRESENTATION OF TORONTO AREA**

Mr. Perrin Beatty (Wellington-Grey-Dufferin-Waterloo): Mr. Speaker, I have a question for the Deputy Prime Minister arising from the televised interview on Sunday given by the