

Income Tax Act

goods in a selective fashion which, as I indicated, had its own separatism about it. It is subtle but it is there.

Secondly, it happened that by reducing those sales taxes to zero, it made it rather difficult to monitor the program to determine how much sales tax was indeed lost by the reduction. In other cases when the tax was reduced from, for example, 5 per cent to 3 per cent or from 7 per cent to 5 per cent, you could tell how much sales tax was collected and basically how much therefore had been forgone. That was the proposal with the other ministers of finance with whom the federal Minister of Finance was dealing and with whom he had to act in good faith.

I ask the hon. member for Don Valley (Mr. Gillies), could the Minister of Finance of Canada, having had an arrangement with the nine ministers of finance, accept the final proposal from the tenth minister of finance, who had not the good grace to put it forward before the budget and who came along afterwards with it? Could our Minister of Finance have gone along with that proposal in the face of disagreement with the other ministers of finance? Clearly, he could not. Yet the Conservative opposition began immediately to pursue their route of assistance and aid to the separatist cause—whether it be knowing or unknowing, I know not. I know they have little enough advice about the subject of mentality in the province of Quebec because they have so little strength there.

However, even they were not sure how they were going to proceed. I notice the first reference to the subject in the House was when the hon. member for Joliette (Mr. La Salle), in putting a proposal under Standing Order 43 before the House, cited all the facts about what had happened and what had gone on. Presumably, in view of their present position, he should have ended by demanding that the Minister of Finance immediately pay the money to the separatist finance minister, but having put the whole proposition before the House, do you know, Mr. Speaker, how he ended his motion? He ended his motion in this decisive way, by saying that the Minister of Finance be required to reply as soon as possible to the minister of finance of Quebec. He did not say how he should reply, he said he should reply.

Then he began a series of questions, and if you look at *Hansard* at page 4453 you will find that first of all he asked this sort of question: "Has he responded, will he respond?" When it became clear that the Minister of Finance had responded in a negative manner, finally the Conservatives got drawn into saying that they really thought he should have responded positively; that he should simply have done what the other ministers of finance in this country said would not have been consistent with the arrangement made; that he should have bowed and given the money over.

The Minister of Finance had some difficult choices to make. He could have simply stood his ground and said that we made an offer which has not been taken up by the province of Quebec, or that it has only been taken up to the extent of a 2 per cent reduction on a certain number of goods, and since in those goods their cut was the same we will therefore pay them \$40 million or \$45 million.

[Mr. Lang.]

He did that, but he also felt that the separatist government ought not to have the victory of depriving the people of Quebec of the benefit which was available to them if they had gone about their sales tax cut in a different manner. The subtlety of what we are dealing with when we are dealing with separatists in this cause is that they will try in every way to disrupt this country. They will try to avoid co-operation with the federal government, as they did in this case by not making their position clear to the minister before the budget; and then they will make an offer or produce a situation where the minister looks as though he is in a difficult position if he does not comply, as though he is depriving the people of the province of Quebec of certain money if he does not act.

The federal Minister of Finance decided that he would find a way to return that money to the people of Quebec. That is what he has offered to do, and he, in his flexibility, has indeed offered to do it in one of several ways. Perhaps one of those ways will yet be acceptable even to the separatist minister, in the absence of the collapse which the Parti Québécois wanted from this federal Minister of Finance. In his objectives, Mr. Parizeau was well served by the members opposite, who care little about the fact that in this case and in occasion after occasion after occasion a separatist government will attempt to make trouble in Canada and create difficult situations.

In a responsible House, one should see an opposition seeking to form a bipartisan policy in the face of this kind of separatist attack. It is as important to deal with the separatists in Canada as it is to deal with the enemy in war in the international scene.

Mr. Brisco: Tell us about Claude Ryan.

The Acting Speaker (Mr. Béchard): Order. The hon. Minister of Transport has the floor.

● (2042)

Mr. Lang: What we have in this House—

An hon. Member: —is an incompetent government.

An hon. Member: Totally incompetent.

Some hon. Members: Oh, oh!

Mr. Lang: —is a Conservative opposition which does not care to consider the impact on this country's unity and which does not care indeed if its actions, time and time again, drive wedges between people in this country.

Some hon. Members: Oh, oh!

Mr. Lang: The hon. member for Annapolis Valley (Mr. Nowlan) shrieks—

Mr. Nowlan: I hope to speak after you.

Mr. Lang: —but let me tell him about colleagues of his having urged in this House on the one hand that the Minister of Finance immediately pay the money to the government of Quebec, when they would have gone across certain areas of