

Oral Questions

● (1417)

Miss MacDonald (Kingston and the Islands): The Prime Minister is once again using sophistry to cover the discrimination he practices against individuals in different parts of this country. Given that last night the House leader of the Liberal party in the national assembly, Gérard D. Lévesque, said over national radio, "No budget should have been tabled or no final proposal should have been tabled in the House of Commons until the government had made sure that all provincial governments were accepting the plan", will the Prime Minister explain why the federal government did not postpone bringing in its budget until after the budget of the province of Quebec had been brought down and the position of that government had been made clear so that we might have avoided this whole sorry mess?

Mr. Trudeau: Mr. Speaker, I am disappointed in the comments of the hon. lady because she is usually intelligent and would not escape an answer by saying it is sophistry. If she feels that my reasoning is wrong, surely she should follow up by a supplementary. Even if it is not written for her, she should be able to think up one and demonstrate by a question why my answer was not correct. I still maintain that her complaint is one which results from the behaviour of the province of Quebec. As far as the federal government is concerned, we behaved in the same way with regard to all provinces.

In so far as the suggestion that we should have retarded the budget—

Mr. Malone: It was retarded.

Mr. Trudeau: The hon. member says we should have retarded the date of the budget. Under substantial pressure, for which the opposition took credit, we announced a budget date. This date was announced some two or three weeks in advance. Until the very eve of the budget the federal minister was consulting with all the provincial finance ministers. There were complaints, even by the New Democratic Party, that there had been too much consultation because there had been a leak, and as a result of this leak the Leader of the New Democratic Party—

Mr. Broadbent: Sophistry again.

Mr. Trudeau: Take it easy. This is what he said.

Some hon. Members: Hear, hear!

Mr. Trudeau: Mr. Speaker, they do not like to be reminded of their inconsequential actions. However, in this very House the Leader of the New Democratic Party moved that there had been a budget leak and that somehow we should be responsible. The leak came as a result of consultations. What we are now hearing is that we should have retarded the budget. Can you see the Minister of Finance getting up at eight o'clock on the Monday night of the budget to say, "Well, Mr. Parizeau, after three weeks, has not given me an answer, so we will have the budget some other day"? I doubt whether

we would have had the support of the hon. lady if we had done that.

Miss MacDonald (Kingston and the Islands): What the Prime Minister is now saying, really, is that a provincial government is being denied the right to make a decision in a field of provincial jurisdiction if that decision does not happen to conform to the dictates of the federal government.

I would like to put my final supplementary to the Minister of Finance. Will the Minister of Finance explain how he proposes to transfer to the province of Quebec the \$40 million of tax room which is not being rebated to individual income taxpayers in that province? Will that transfer be by means of a cheque, a method which he rejected yesterday for the other \$186 million, or will he perhaps be proceeding to deliver it to Mr. Parizeau in a brown paper bag?

Hon. Jean Chrétien (Minister of Finance): Mr. Speaker, I would like to reply to the previous questions. I think that Mr. Parizeau came 48 hours later with a precise proposition that was completely different and unacceptable to the federal government and the finance ministers of this country who had accepted my proposition. I have not tried to blackmail them at all. I made a proposition. I said I would withdraw from the income tax field for them to come in. Mr. Parizeau, of course, did not want to come in. He would like me to send him a cheque.

However, in Quebec they have to collect their own money. He does not want now to collect his own income tax. I am reducing my tax and in Quebec I can only reduce it by rebating the tax to the taxpayers in Quebec. However, if Mr. Parizeau, because they have been collecting their own tax since 1954, wants to have the money, he can raise the difference. We said in a letter to Mr. Parizeau at the time of the counterproposal that for the part of the sales tax that he has conformed with the plan, we were willing to do so.

● (1422)

[Translation]

SALES TAX—INQUIRY WHETHER GOVERNMENT READY TO ACCEPT QUEBEC'S PROPOSAL

Mr. Heward Grafftey (Brome-Missisquoi): Mr. Speaker, I should like to put a question to the Minister of Finance.

Considering that it is now obvious that implementing the reimbursement policy announced this week for Quebec would cost at least \$3 million to the Canadian taxpayers and, considering that it has been announced in the Canadian press that another textile plant will be closed in Quebec, would the Minister of Finance and this government be now prepared to accept the sales tax policy presented by the Quebec legislature?

Hon. Jean Chrétien (Minister of Finance): Mr. Speaker, I do not see any relation between that problem and a textile plant closing in Quebec. In reply to the question which the hon. member is asking me, I will tell him that Mr. Parizeau