

Oral Questions

Mr. Wilson (Etobicoke Centre): How we should deal with the very clear principle that the Prime Minister has established today and on many occasions in this House. We are going to be issuing a paper which will be setting out some of the options available.

Some Hon. Members: When?

Mr. Wilson (Etobicoke Centre): After which we will be having discussions with Members opposite as well as with a number of organizations which are already participating in a positive and open way. I encourage Members opposite to do the same thing—

Some Hon. Members: Let's have a debate.

Mr. Wilson (Etobicoke Centre):—because that is the way we will get on with the decision.

PRIME MINISTER'S STATEMENT

Hon. Donald J. Johnston (Saint-Henri-Westmount): Mr. Speaker, that is even more incredible. Forgive me if I am wrong, but I thought I just heard the Prime Minister say that you knew exactly what you were going to do.

Mr. Chrétien: Yes, just a minute ago. You are honest, Mike; you don't know, and we know you don't know.

Mr. Johnston: Will the Minister of Finance admit that he is contradicting the statement just made by the Prime Minister?

Mr. Chrétien: Do you know, or don't you know?

Hon. Michael Wilson (Minister of Finance): This is another example, Mr. Speaker, of the Members opposite distorting what the Prime Minister just said.

Some Hon. Members: Oh, oh!

Mr. Gauthier: Deny that he said it.

Mr. Chrétien: We will send you the tape, Mike.

Mr. Wilson (Etobicoke Centre): The Prime Minister said he knew exactly what we were going to do. We were going to go through a process of discussion, rational and honest discussion.

Some Hon. Members: Hear, hear!

Mr. Wilson (Etobicoke Centre): Mr. Speaker, let me make a clear response here.

Some Hon. Members: We want Crosbie.

Mr. Speaker: Order, please. I am in great difficulty.

Mr. Crosbie: We all are.

Mr. Speaker: Do Members wish to hear answers to questions that they have asked, or do they not?

Mr. Rossi: There are no answers.

Some Hon. Members: No answers.

Mr. Speaker: If Members—thank you. The Hon. Member for Oshawa.

TAX POLICY

Hon. Edward Broadbent (Oshawa): Mr. Speaker—

Mr. Ouellet: He's off the hook.

Mr. Broadbent:—I have a question for the Prime Minister, who just expressed some deep concern about Liberal bagmen in the Senate. I am sure his concern can be summarized this way. It bothers him that, for the moment, there are more Liberal bagmen in the Senate than Tory bagmen. I am sure he will rectify that very soon. If he wants a motion to abolish the Senate, we will pass it in 24 hours for him.

● (1430)

My question for the Prime Minister concerns conflicting statements that have come from the Government from two different Ministers yesterday. One was made inside the House, and one was made outside.

Inside the House the Minister of Finance clearly indicated that the Government was considering imposing a special tax on particular social programs. Outside the House yesterday afternoon, the Minister of National Health and Welfare specifically rejected this approach and said no, that the Government was considering instead a general increase in income taxes.

For this confusion alone, will he provide some light? What is the Government's tax policy when it comes to social programs?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, with regard to the confusion, yesterday, as reported at page 1343 of *Hansard*, the Leader of the NDP said that his Party:

... has for years been prepared to include all sources of income as taxable benefits.

I assume that means veterans allowances, capital gains on the sale of principal residences, employee benefits for dental plans, life insurance, strike pay, imputed rent. This is what the NDP plans to do to social policy in Canada, and I can tell you that we are opposed to that, not only today but every day. It would kill the farmers and small businessmen of this country.

The answers are found in the agenda paper. As explained by my hon. friend, the Minister of National Health and Welfare was entertaining a question from a CBC reporter and answered to a hypothetical question in part. I think that the adequate answers are found and fully developed, I believe in a fair and honourable way, in the paper set out on November 8 by my hon. friend, the Minister of Finance.

I can tell you that nowhere in that document will you find the kinds of pernicious taxation advocated by the Member for Vancouver East and specified yesterday by the Leader of the NDP, which would kill the small businessman, the farmer and the ordinary Canadian. We won't go along with you on that.

Some Hon. Members: Hear, hear!