

On March 29 the Minister of National Health and Welfare indicated in committee that \$300 would be sufficient to bring these single elderly poor up to the poverty line. I would like to ask the Prime Minister whether or not the Government has abandoned the practice which it has always followed of accepting the low-income cutoffs provided by Statistics Canada as the poverty line. And what justification would the Government have for saying that \$300 would be sufficient to bring these people up to the poverty line, when the National Council on Welfare says that it would take \$2,000?

[Translation]

**Hon. Marc Lalonde (Minister of Finance):** Madam Speaker, the Hon. Member indicated in her question that although she was using the expression "poverty line", the expression used by the National Council on Welfare is low income and not poverty line. As the Hon. Member is aware, there is a considerable difference between the two, and we could have quite a long discussion on what term should be used. In any case, the main thing is that the Government has undertaken to concentrate its efforts and assistance on those who truly need help. We made this clear when we introduced the 6 and 5 program and exempted from capping any payments made under the Guaranteed Income Supplement or the Child Tax Credit. These measures are fully indexed to allow for the special needs of people on low incomes. In addition, the measures contained in the budget were also aimed at assisting people on low incomes so as to maximize the effective use of public funds in the fight against poverty.

[English]

**Miss MacDonald:** Madam Speaker, whether the Minister uses poverty lines or low-income figures, I would like him to know, in case he has not realized it, that there are 500,000 elderly poor in this country who are living well below the poverty line, and the Government ought to make it one of its priorities to correct that situation.

#### GOVERNMENT PRIORITIES

**Hon. Flora MacDonald (Kingston and the Islands):** Madam Speaker, in recent days the Government announced an expenditure of almost \$300 million to bail out Canadair and de Havilland, two Crown Corporations. Again, the Minister of National Health and Welfare said in committee that the \$300 million for the elderly poor, to bring them up to the poverty line, had been approved by Cabinet, and that it would be authorized for expenditure—and I use her words—"whenever we can afford it". I would like to ask the Minister how many Crown Corporations such as de Havilland and Canadair stand ahead of the elderly poor in the Government's list of priorities.

**Hon. Marc Lalonde (Minister of Finance):** Madam Speaker, one thing is certain, and that is that this Government will not make the mistake which the Conservatives made in the 1960s when they cancelled the Arrow program and put the aeronautics industry in this country behind by ten years.

#### Oral Questions

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

**Mr. Lalonde:** What the Government is doing is not only protecting thousands of jobs for Canadians, but it is also protecting a strong Canadian presence in the aviation industry, a high technology industry, and one which is important for the future of the country.

As far as the question raised by the hon. lady is concerned, she knows that the expenditures in question would be, indeed, expenditures which would not be on a recurring basis, year after year. As I have indicated in my budget speech, we are currently examining the situation on a current basis and we very much have in mind the problem raised by the hon. lady.

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#### AUTOMOTIVE INDUSTRY

##### TASK FORCE RECOMMENDATION—GOVERNMENT POSITION

**Hon. Edward Broadbent (Oshawa):** Madam Speaker, my question is directed to the Minister of Industry. The Minister knows that the American automotive companies are producing in Canada roughly 75 per cent of what they sell to Canadians. The federal task force on the automotive industry has recommended that the principle involved, namely, that automotive companies which make profits from Canadians ought to be creating jobs for Canadians, should be applied to all automotive companies and not just to the American companies. Does the Minister accept this sensible recommendation?

**Hon. Ed Lumley (Minister of Industry, Trade and Commerce and Minister of Regional Economic Expansion):** Madam Speaker, as I stated last Friday in response to the task force report, we think it is a very comprehensive report and it will receive serious consideration by the Government. My officials, are already working on a paper which will be discussed with my Cabinet colleagues.

##### REQUEST THAT MINISTER INSIST ON JOBS BEING CREATED IN CANADA

**Hon. Edward Broadbent (Oshawa):** Madam Speaker, the Minister did not answer the question specifically. I agree it is comprehensive, and I also agree in principle that it is saying essentially the right thing. However, I would like to ask the Minister if he accepts the principle in the report. More specifically, since the major import which is causing a loss of Canadian jobs in that sector right now happens to be from Japan, and since the Japanese have agreed to produce cars, or parts, in the United States, Australia, Mexico, Great Britain, amongst others, and if they met the minimum 60 per cent standard here in this country, we would have an additional 35,000 jobs, will the Minister agree with the principle in the report? Secondly, will he, in his discussion with the Japanese industry, insist upon their acceptance of the principle?

**Hon. Ed Lumley (Minister of Industry, Trade and Commerce and Minister of Regional Economic Expansion):**