

Oral Questions

● (1130)

Mr. Riis: Mr. Speaker, my question is once again directed to the Deputy Prime Minister.

Is he aware that countries that have imposed a consumption tax have, in fact, excluded food? Today the provincial Governments that have a sales tax exclude food. A person going to the grocery store pays tax on certain goods but not on food.

Is the Deputy Prime Minister aware that the chairman of the finance committee has a plan under way so that, when the Government does impose a consumption tax on the people of Canada, food can be excluded?

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and President of the Treasury Board): I do not know what plan the chairman of the finance committee has. I know that he is a very capable and competent chairman. I know that he will be vitally interested in all points of view relating to tax reform. That is the job that he is challenged with, and that is the job that he will discharge with the greatest of effectiveness.

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SOVEREIGNTY**BEAUFORT SEA—OIL AND GAS DRILLING—UNITED STATES' CALL FOR BIDS**

Hon. Lloyd Axworthy (Winnipeg—Fort Garry): Mr. Speaker, yesterday we learned to our great horror that the federal Government had abandoned any defence of Canadian trade interests under the trade and commerce clause, and is now leaving it up to the provinces to represent Canada when it comes to the export of our resources.

My question is directed to the Deputy Prime Minister on another issue relating to the abandonment of our sovereignty.

On August 20 the Department of the Interior in the United States issued invitations for bids to drill on the Continental Shelf in the Beaufort Sea, including areas of Canadian territory. That is a clear transgression of every agreement. As the chief minister of the Yukon has said, it is a total abandonment of Canadian sovereignty.

Considering that those bids will be considered in four months from now, as of January 1, 1988, has the Canadian Government any intention to represent Canadians' interest in this steal of our territory?

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and President of the Treasury Board): First of all, I do not agree with the premise of the question, the allegations, and the shrill rhetoric that the Hon. Member is advancing.

I am not fully up to date on this particular matter. I would be glad to take the question as notice, and I could provide a comprehensive answer to the Hon. Member. I regret that I am not up to date at this time.

REQUEST THAT PRIME MINISTER ISSUE PROTEST

Hon. Lloyd Axworthy (Winnipeg—Fort Garry): My supplementary question is directed to the Deputy Prime Minister. There is nothing shrill in trying to represent the integrity of Canadian territory against incursion by another country which is now issuing bids to companies within its own jurisdiction to drill in our territory and in our jurisdiction.

I am surprised that the Deputy Prime Minister is not more conversant with this matter. When asked about this several months ago the Secretary of State for External Affairs said that the federal Government would not be taking any direct action until such time as the environmental hearings were over, and bids would be considered. That point has now been reached. There is now an opening of bids on Canadian land by the U.S. Government.

I ask the Deputy Prime Minister specifically if he will be in touch with the Prime Minister and ask him to issue immediately a notice of protest to the President of the United States against this unacceptable action by the Department of the Interior and the U.S. Government.

Some Hon. Members: Hear, hear!

Hon. Tom McMillan (Minister of the Environment): I will take the Hon. Member's question as a representation. I will be raising the matter with my cabinet colleagues, including the Prime Minister.

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SOCIAL AFFAIRS**FAMILY BENEFITS—GOVERNMENT POLICY**

Ms. Margaret Mitchell (Vancouver East): Mr. Speaker, my question is directed to the Minister of National Health and Welfare.

Predictions that we made when family benefits were reviewed have come true. Will the Minister now admit that the evidence from the National Council of Welfare, CCSD, NAC, the Economic Council, and Tristat Resources all proves conclusively that families have lost significant income as a result of the Government's past tax policies? Those associations also predict that families may lose over \$1 billion by 1991 as a result of new reforms, if implemented.

Is this evidence correct or not? The Minister should know.

Hon. Jake Epp (Minister of National Health and Welfare): Mr. Speaker, the evidence that the Member puts forward is