

BANK OF CANADA

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, my question is for the Minister of Finance.

The Governor of the Bank of Canada, John Crow, has run a monetary policy that has taken Canada into a recession, yet last night he refused to say even what he was paid despite his immense power. He also refused to say if his bank employees would be affected by the public sector wage freeze.

Crow's salary has to be approved by cabinet. The salaries of everybody in this House are known in detail. Why is it that John Crow's salary should be privileged and secret?

Would the minister also tell us if in fact the Bank of Canada is subject, as it should be for fairness sake, to the public sector wage freeze if the rest of the public sector is supposed to be affected by it?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I have communicated in a letter to Mr. Crow to discuss with him the application of the public sector wage policy. I can tell my hon. friend that the Bank of Canada will be subject to exactly the same rules as the Public Service will be in wages and salaries in the coming three-year period.

My hon. friend knows the policy that the government reached on salaries of senior public servants. We have set a range. The boards of directors of these organizations establish a level within that range which is subject to approval by the government, but the range is very clearly available and is subject to public knowledge.

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CANADA ASSISTANCE PLAN

Mr. Bill Blaikie (Winnipeg Transcona): Mr. Speaker, my question has to do with the report by the National Council of Welfare which calls on the government to rescind its cap on CAP, its cutbacks in Canada Assistance Plan funding for the provinces of B.C., Alberta and Ontario, in which it states that it is no time for cuts to our safety net of last resort.

The minister of health has defended this cap by saying that we cannot send the bill for the deficit to our kids. Will the Minister of Finance or the Minister of National Health and Welfare tell us why it is right to send the bill for the deficit to the 700,000 poor children who depend

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on the Canada Assistance Plan? Why is it right to send the bill to them for the deficit?

Hon. Perrin Beatty (Minister of National Health and Welfare): Mr. Speaker, at least this hon. member, unlike the hon. member for Hamilton East, knows which provinces the cap applies on.

The premise of his question is fundamentally wrong. It is not our intention to send the bill to the unemployed or to children in Canada. The restrictions, in terms of transfers to the provinces over the coming year, will amount to about one-half of one per cent of provincial revenues.

What we are asking the provinces to do is not to penalize the poor or not to penalize the disadvantaged, but rather to look at the other 99.5 per cent of their expenditures and to set priorities in exactly the same way as the federal government has had to do.

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CORPORATE TAXATION

Mr. Bill Blaikie (Winnipeg Transcona): Mr. Speaker, what we would suggest is that the government send the bill for the deficit to all the corporations which have been receiving tax breaks over the years.

In that respect, I would like to ask the Minister of Finance or the minister responsible for Statistics Canada whether the government is aware of the study done by Statistics Canada which shows that 44 per cent of Canada's debt is due to tax breaks for corporations and the wealthy.

Apparently this study is so far a secret study. We want to know why it is a secret study, and we want to know when the government is going to release that study so that Canadians can see the big lie that exists behind this government's deficit reduction ideology and who is really at fault for the deficit.

Release that study, why don't you?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I am not aware of any such study. My hon. friend has raised the question of tax preferences as it relates to corporations. I discussed these item by item in committee last week. I told him why the government has taken the position that if we followed the approach that the hon. member from Winnipeg is suggesting we should do, he would lose a lot of businesses in Winnipeg that