

*Oral Questions*

while lifting the surtax on the rich next year. Is that fair? If it is good enough for the rich next year, who not lift the tax for ordinary Canadians at the same time?

**Hon. Barbara McDougall (Minister of State (Finance)):** Mr. Speaker, the tax policies of the Government are directed particularly at those most in need, and the Hon. Member knows that. We have already suggested in the Budget that the refundable sales tax credit is an innovation that is evidence of the kinds of things we think are useful for people in lower-income brackets and that are fair.

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[Translation]

## ETHICS

## AWARDING OF GOVERNMENT CONTRACTS

**Mr. Don Boudria (Glengarry-Prescott-Russell):** Mr. Speaker, my question is directed to the Deputy Prime Minister and concerns once again the compensation contracts a number of Conservative Members want to award to the party's financial backers.

According to a report by Canadian press yesterday, a Conservative Member who chose to remain anonymous said that similar lists had been drawn up by other Conservative Members.

Could the Deputy Prime Minister inform the House how many more Conservative Members engaged in drawing up similar lists, and could he give the House the assurance that he will put an end to this practice immediately, to ensure that Canadians will not see their taxes being spent in this manner.

[English]

**Hon. Erik Nielsen (Deputy Prime Minister and Minister of National Defence):** Mr. Speaker, I do not know what the hon. gentleman is talking about and I do not think he does either. Contract procurement practices are set down by the Treasury Board. I think the Hon. Member might be referring to the matter he raised yesterday. The practices that were designed and laid down by the Government of which he was a supporter are still in place and, if anything, are more rigid now than they were under the previous administration.

## REQUEST FOR COMMITTEE DISSOLUTION

**Mr. Don Boudria (Glengarry-Prescott-Russell):** Mr. Speaker, if I do not know what I am talking about, could the Deputy Prime Minister tell us why the Member published the "Sorry, I'm Tory" letter of yesterday? Will the Deputy Prime Minister immediately cause the dissolution of the Ritz-Carlton committee chaired by Mr. Roberge, a committee that has as a member the Hon. Member for Quebec East? Will he put an end to this right now in order to ensure that the Government continues to have the faith of the Canadian people and the faith of all

Members of the House, which he could ensure by dissolving this kind of repugnant committee—

**Mr. Speaker:** Order, please. The question is clear.

**Hon. Erik Nielsen (Deputy Prime Minister and Minister of National Defence):** Mr. Speaker, that is a question I answered yesterday. The explanation was quite simple. The hon. gentleman who originated the letter, recognizing his mistake, has (a), apologized for it, and (b), written to all of the original recipients of the letter to tell them the correct procedure which is set out in the Treasury Board guidelines and Public Works procedure for the allotment of contracts.

**Mr. Boudria:** What about the Ritz committee?

**Mr. Speaker:** Order, please.

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## THE BUDGET

## EFFECT ON WOMEN

**Ms. Margaret Mitchell (Vancouver East):** Mr. Speaker, my question is directed to the Minister of State for Finance and concerns the Robin Hood myths of the Minister of Finance. Is the Minister aware that figures from the National Council on Welfare show that the combined effects of the 1985-86 Budgets, excluding sales tax, will take \$58 of disposable income from a woman with two kids who exists at half the poverty line? Is this the kind of meeting of special needs about which the Minister of Finance has been talking?

**Hon. Barbara McDougall (Minister of State (Finance)):** Mr. Speaker, I do not understand how many times I have to explain this to Hon. Members opposite. What we have done was to aim our policies at the people who need them the most, the people with the lowest incomes. Everyone loves to do numbers, but we know what the truth is.

## NATIONAL COUNCIL ON WELFARE STUDY

**Ms. Margaret Mitchell (Vancouver East):** Mr. Speaker, apparently the people who need it most are those in the highest income brackets. Is the Minister also aware that this study from the National Council on Welfare contradicts the Robin Hood philosophy of the Minister by indicating that a poor family headed by a woman will lose \$58, not even including sales taxes, while a rich man who earns over \$100,000 per year will gain \$422? How is that possibly helping those in greatest need?

**Hon. Barbara McDougall (Minister of State (Finance)):** Mr. Speaker, the Hon. Member forgets some of the other things that we have been doing in this connection. One is that we have reduced the dividend tax credit which is aimed directly at this mythical male person about whom the Hon. Member is talking. We have also eliminated income splitting.