

*Oral Questions***INDIAN AFFAIRS****MERCURY POISONING OF NATIVES—PROPOSED  
FEDERAL-PROVINCIAL ACTION**

**Mr. Doug Neil (Moose Jaw):** Mr. Speaker, my question is for the Minister of Indian Affairs and Northern Development. In light of the Ontario natural resources minister's statement that the federal and provincial governments will be working together, can the minister tell the House what new action his department is taking to co-ordinate attacks on the mercury problem in northwestern Ontario, and in the rest of the country for that matter?

**Hon. Judd Buchanan (Minister of Indian Affairs and Northern Development):** Mr. Speaker, I met with the two chiefs from the area and during the meeting they expressed concern that the two levels of government were attacking the problem each at its own level in an uncoordinated way. Two of my colleagues accompanied me at a federal-provincial meeting, and we have now set up a working body to try to deal jointly with the problem.

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**ANTI-INFLATION BOARD****REACTION OF LABOUR GROUPS TO POLICY STATEMENT BY  
CHAIRMAN—GOVERNMENT POSITION**

**Mr. Edward Broadbent (Oshawa-Whitby):** Mr. Speaker, I have a further question for the Minister of Finance arising out of earlier answers which he gave in the House today. Does the minister not realize that by refusing to repudiate the extraordinary decision by Mr. Pepin to make harsh decisions in terms of the anti-inflation law now, saying that he will be lenient later on, this will contribute to chaos in collective bargaining in Canada, so that all groups now know that they have a vested interest in not reaching an early settlement and therefore will push for negotiations to drag on for weeks or months down the road?

**Hon. Donald S. Macdonald (Minister of Finance):** I do not share the hon. gentleman's conclusion, Mr. Speaker.

**Mr. Broadbent:** A supplementary question, Mr. Speaker. That is extraordinarily unfortunate in the present circumstances. May I ask the minister a supplementary question. Does the government not realize that this will cause all negotiating groups, whether wage or salary earners, to push for one year contracts instead of two year contracts now?

**Mr. Macdonald (Rosedale):** Of course, Mr. Speaker, all parties are free to move for whatever contractual rights they prefer. I would remind the hon. gentleman that we have put in place a controls regime for a period of three years, and negotiation decisions will have to be guided by the law that has now been approved by this House.

[Mr. Hnatyshyn.]

[Translation]

**FINANCE****POSSIBLE INDEXATION OF SOCIAL PROGRAM BENEFITS**

**Mr. Claude Wagner (Saint-Hyacinthe):** Mr. Speaker, I wish to put a question to the Minister of Finance.

In his fight against inflation, would the minister consider, now or in view of the next budget, the suggestion that the government's current social programs should be geared to the costs of such necessities as food, housing, public transportation, which are still increasing, rather than to the overall cost of living index which includes the fairly stable prices of commodities which are not at all necessary?

**Hon. Donald S. Macdonald (Minister of Finance):** Mr. Speaker, I am willing to consider this suggestion as well as others concerning the fight against inflation.

**SUGGESTED CONTINUATION OF INDEXING OF INCOME TAX**

**Mr. Claude Wagner (Saint-Hyacinthe):** Mr. Speaker, I wish to ask a supplementary question. Since he is in a good mood, would the Minister of Finance be prepared to retain, in his next budget, the suggestion of a tax deduction for low income earners which would be equal to the monetary value of the annual increase in the cost of daily necessities?

**Hon. Donald S. Macdonald (Minister of Finance):** Mr. Speaker, as the hon. member knows, there now exists a form of indexation in the Income Tax Act. The next time I prepare a budget, I shall see whether the system established two years ago now must be changed.

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[English]

**AIR TRANSPORT****ALLEGED FAILURE OF GOVERNMENT TO SUPPLY DOCUMENTS  
IN SUPPORT OF SKYWEST APPLICATION**

**Mr. Gordon Ritchie (Dauphin):** Mr. Speaker, my question is for the Minister of Transport. As Saskatchewan has threatened to pull out of the Manitoba-Saskatchewan Skywest air service because, as transport minister Gordon MacMurphy indicated, the minister did not provide any documents for the CTC hearing last week, what are these key documents that the minister has failed to provide so that the CTC hearing could have gone forward?

**Hon. Otto E. Lang (Minister of Transport):** First of all, Mr. Speaker, let me say that Saskatchewan's reluctance in this program is not really new, so this may be more of an excuse than an explanation. The reference to the absence of any documents is a terrible distortion of what the ATB committee really said in explaining that Skywest had put forward totally inadequate documentation in its application. One of the items included was a reference to the federal contribution of the two aeroplanes. We have not been asked specifically to make clear that these aeroplanes will be available upon the granting of a licence, but of course we would be prepared to do so.