

*Oral Questions*

**Mr. Lang:** Mr. Speaker, obviously, when I referred to the possible involvement of the government, it was very clear that I would include the possibility of subsidies which may be either in relation to the acquiring of aircraft or in relation to ongoing operations. I would not specify that one is better than the other, necessarily. Indeed, I would not say that either of those is necessary. The point of our discussions at this time is to determine whether any such help is required or, instead, whether good utilization of aircraft by a sensible arrangement of routes can provide all that is needed. That is what our discussions are about.

## APPLICATION BY EPA FOR INCREASED SUBSIDIES

**Mr. Maurice A. Dionne (Northumberland-Miramichi):** Mr. Speaker, my supplementary question is directed to the Minister of Transport. Would the minister advise the House whether Eastern Provincial Airways has recently made application to the department for increased operating subsidies? If so, will these subsidies be used to provide the additional intraAtlantic service which the hon. member was referring to in his question?

● (1442)

**Hon. Otto E. Lang (Minister of Transport):** Mr. Speaker, in the course of the discussions we have been having, the airlines, including EPA, have indicated their requirements in their view. We are analysing some of these requirements. We could label it as a request for increase, but we want to be sure of the over-all picture of requirement, knowing how many routes are involved.

I may say, in answer to the earlier question, that while we are looking at specific routes, I would not want, today, to particularly touch on one or another because very often applications to the Canadian Transport Commission are also involved.

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## SOCIAL SECURITY

## REQUESTED INCREASE IN BENEFITS FOR ELDERLY

**Mr. Stanley Knowles (Winnipeg North Centre):** Mr. Speaker, my question is to the Minister of National Health and Welfare. She will not be surprised to learn that it is based on the report on old age insecurity produced a short while ago by the Social Planning Council of metropolitan Toronto. That report emphasized the very large number of senior citizens who are being required to live below the poverty line.

In view of the emphasis on the fact, which the government has not really yet recognized, that most senior citizens live on the pensions they receive and not on other income that the government thinks they may have, and in view of the fact that this parliament seems to be going to last a little while longer so that it can do some important business, can the minister tell us

what the government's response will be to this serious situation?

**Hon. Monique Bégin (Minister of National Health and Welfare):** Mr. Speaker, that is a tough question for a Monday afternoon. It means that if hon. members agree to cut from other programs of my department about \$630 million, we can have an income supplementation program for those in need aged 60 to 65. However, no one will want to do that. By answering in that way, I think I am showing the concern we all have with regard to trying to develop programs to meet that need but we are not ready to do so with the actual economic constraints.

In addition, I would like to mention the research work that is being done in evaluating what can be done in rearranging existing provisions like fiscal exemption based on age, which affects older people. I would be very interested in hearing the views of the opposition on that.

**Mr. Knowles (Winnipeg North Centre):** Mr. Speaker, I noted the statement by the minister that if we would propose cuts in some other areas, that money could be available. I can tell her that there are places, especially in some other departments, where cuts would be highly desirable.

**Mr. Gillies:** Name them.

**Mr. Knowles (Winnipeg North Centre):** National Defence.

**Some hon. Members:** Oh, oh!

**Mr. Knowles (Winnipeg North Centre):** In view of her suggestion that a study is being made of a possible rearrangement of fiscal planning such as income tax credits, may I ask whether a serious attempt will be made to do something in this area in this parliament, bearing in mind it is not just those between 60 and 65 to whom she referred who are in trouble, but all senior citizens, particularly unattached women.

**Miss Bégin:** Mr. Speaker, the hon. member knows that questions touching fundamental changes in fiscal policy should be directed to the Minister of Finance. He also knows, because I have informed the House on a few occasions, of the research work being done in my department, exploring all tools that can eventually be used for redistribution and income supplementation program development. That, of course, touches upon the fiscal dimension of allowances to older people.

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## FINANCE

## DISCUSSIONS WITH QUEBEC ON SALES TAX

**Miss Flora MacDonald (Kingston and the Islands):** Mr. Speaker, my question is to the Minister of Finance. At his press conference last week, the Prime Minister indicated that he would be willing to meet with the premier of the province of Quebec to try and resolve the sales tax impasse, provided the government of Quebec put forward a proposal for discussion.