

just recently to the brief presented to me by the P.E.I. fishermen setting out the way in which we intend to approach the problem. Taxpayers in all parts of Canada must pay taxes, Madam Speaker, but, on the other hand, they must be treated fairly and equitably, and I intend to see that that is done.

**Mr. Gass:** I wish to direct a supplementary question, Madam Speaker, to the same minister. Could the minister confirm reports that the tax audit of the fishing industry in Atlantic Canada has been halted in the federal riding of Westmorland-Kent by his colleague, the Minister of Fisheries and Oceans, who, by the way, is the member for Westmorland-Kent? Is the same type of investigation being carried on in Westmorland-Kent and, if not, why not?

**Mr. Rompkey:** Madam Speaker, the audit is being carried on all across Canada, in the Atlantic area and on the west coast, as a whole. It is an industry audit; it is an audit that we do normally every year in various types of industries.

**Mr. Trudeau:** Started by the Tories.

**Mr. Rompkey:** It was begun by the previous administration and is being carried on under this administration. It is being carried on fairly and equitably in all areas.

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#### HEALTH AND WELFARE

##### CHANGE IN TAX PROVISIONS TO HELP CHILDREN OF POOR FAMILIES

**Mrs. Margaret Mitchell (Vancouver East):** Madam Speaker, my question is for the Minister of National Health and Welfare and it concerns the children of the working poor in Canada. Last May the minister stated to the Commission for the International Year of the Child that the child tax credit should be increased, funds should be redirected to children who need help most, and that the current exemptions help the rich more than the poor. We know that this was substantiated by the National Council on Welfare this week. What specific changes does the minister recommend that will benefit poor children and when will these be implemented?

**Hon. Monique Bégin (Minister of National Health and Welfare):** Madam Speaker, one step that I suppose would help a great deal to put the message across and convince people of the importance of redirecting money that goes to middle-class families in Canada and families with good money, to lower-income families—and it is not for me to prejudge the report—would be to include that as a recommendation of the report of the special subcommittee of the Standing Committee on Health, Welfare and Social Affairs of the House of Commons in which the hon. member is a participant.

Other than that I must say that, from a social policy viewpoint, we have put on our priority list work showing the benefit that an increased child tax credit, possibly financed from the child tax exemption that exists now, would be in helping the half million working poor in the country. We are

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proceeding with it through the normal procedures in the government system.

##### REQUEST THAT WORKERS ENGAGED IN COMMUNITY PROJECTS BE PAID HIGHER WAGES

**Mrs. Margaret Mitchell (Vancouver East):** Madam Speaker, my second question concerns the same subject and is directed to the Minister of Employment and Immigration. We know that the Welfare Council has documented that one million working poor in Canada include workers who are on government grants and who are performing essential community services. When will the government stop promoting national poverty through the minister's department, raise pay levels for these workers, and make these essential services permanent in communities?

**Hon. Lloyd Axworthy (Minister of Employment and Immigration):** Madam Speaker, the hon. member would know that the employment programs that we provide through the federal government have, as their basic minimum, the minimum wage standard set in each of the provinces. I suggest to the hon. member that if she has some concern about the level of salaries paid, the real answer resides at the provincial level where minimum wages are set.

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That is the standard we use to ensure that we also get the largest distribution of the moneys we have available to provide direct employment for people and to provide, in those employment programs, very specific priorities that are set by the local communities regarding what is important in terms of the kinds of public works or facilities that they need. We have established the principle of the local communities setting priorities through the local advisory boards set up by Members of Parliament.

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#### FEDERAL-PROVINCIAL FISCAL ARRANGEMENTS

##### TRANSFER PAYMENTS TO PRINCE EDWARD ISLAND

**Hon. John C. Crosbie (St. John's West):** Madam Speaker, my question is for the Minister of Finance. Food prices are up, inflation is up, the cost of living is up, interest rates are up, unemployment is up, the minister has given up and the public is fed up.

**Mr. Nielsen:** And we are all going to throw up.

**Mr. Crosbie:** My question to the minister is this. Is he going to add to the problems of the people of Prince Edward Island and other disadvantaged provinces by carrying out the statement in his budget of October 28, that a large element of our expenditures "especially in the social affairs envelope consists of transfers to the provincial governments and we expect significant savings here"? Is the minister going to reduce transfer payments to Prince Edward Island, for example the