

tion was very valuable in my opinion, and I believe that there is an excellent degree of co-operation between the Government and private Canadian citizens who are interested in what is happening in Nicaragua.

What we are considering now is how the Canadian Government could have a positive impact, even though it would probably be a minor one, in bringing about stability and peace in Latin America.

* * *

[English]

FINANCE

CORPORATE TAXES—GOVERNMENT POSITION

Mr. Nelson A. Riis (Kamloops-Shuswap): Mr. Speaker, my question is for the Right Hon. Prime Minister, and is with regard to some conflicting comments made by the Minister of Finance. The other day the Minister of Finance was speaking to the Canadian Tax Foundation and he indicated that the Government was committed to cutting back on the vast array of tax breaks available to the corporate sector. Later that same day he said that the Government was also considering creating new tax breaks to replace the system of direct grants and subsidies to the corporate sector. Could the Prime Minister explain which of these is the direction of the Government? Is it cutting back on tax breaks to the corporate sector, or is it not?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I do not think there was any confusion in the statements of the Minister of Finance. I think he was just speaking to the fact that we did inherit a rather confused tax situation that clearly has some injustices. He is looking at a mechanism whereby the tax system can be simplified and clarified. In that process I suppose some of the items to which the Hon. Member refers will be dealt with. I see nothing inconsistent at all. He is trying to bring an element of fairness into the tax system of Canada.

● (1430)

MINISTER'S VISIT TO UNITED STATES

Mr. Nelson A. Riis (Kamloops-Shuswap): Mr. Speaker, today the Minister of Finance is in Washington where he has indicated he is looking at American plans for their corporate tax system. If they reduce their corporate tax rate or provide more loopholes, Canada would be forced to do the same. Is the Government now not only taking direction from the United States for its interest rate policy but planning to take its corporate tax policy from the United States as well?

Right Hon. Brian Mulroney (Prime Minister): As opposed to the previous Government, rather than blame our friends for all of our problems, we consult with them to see if we cannot work them out together.

Mr. Deans: Like in Manitoba?

Oral Questions

Mr. Mulroney: The Minister is making an important trip today to visit with Secretary Regan. In the process I suppose he will be updated on some changes that Congress is contemplating in their tax system. It may be that Canada might learn something outside its borders. It is possible.

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[Translation]

CULTURAL AFFAIRS

GOVERNMENT POSITION

Mr. Marcel Prud'homme (Saint-Denis): Mr. Speaker, I would have liked to direct my first question to the Minister of Communications (Mr. Masse), but considering the urgency of the matter and the Minister's temporary absence—I imagine he is quite busy right now—I will have to ask my question to the Right Hon. the Prime Minister of Canada.

This morning, all Canadians, and particularly the artistic community, were quite excited to hear about what appears to be the new policy of the Minister of Communications who is quoted as saying, as reported in a major article by Mr. Hugh Winsor in the *Globe and Mail*:

[English]

—the Conservative Government is questioning the traditional arms-length relationship governments have had with the CBC and other cultural agencies, and is moving rapidly to apply a direct political hand to cultural policy.

[Translation]

Mr. Speaker, would the Right Hon. the Prime Minister tell the House whether that is indeed the new policy statement of the new government under this enlightened guidance? I hope all his colleagues believe so.

Right Hon. Brian Mulroney (Prime Minister): I hasten to reply, Mr. Speaker, because I certainly would not want the Hon. Member to be excited. It is extremely important.

I did read that article and I noted that the Minister is seldom quoted, although there is one quotation where the Minister of Communications (Mr. Masse) states:

[English]

My broad interest as Minister here is to be sure that as much money as possible is given to the artists and as little as possible is stuck somewhere in the pipeline by bureaucrats or by administrative costs.

[Translation]

I think that is indeed the Minister's intention, namely give as much funding as possible to the cultural communities with a minimum of intervention by the government.

Mr. Prud'homme: Mr. Speaker, in my first supplementary question, I would like to ask the Right Hon. the Prime Minister if he can reconcile—and when I say that we are excited, I think I speak on behalf of nearly 250,000 people who depend directly on cultural activities and over 200,000 others