

Oral Questions

preparing his budget this year. Why did the minister introduce such a wide-ranging change in tax policy without drawing on the normal sources in the private sector which have been drawn on in the past, before the budget was prepared? Why did he avoid discussing this with an expert in his own caucus, the President of the Treasury Board, particularly when tax officials in the department are not as strong or as experienced as they have been in the past? Why did he follow this process, rather than introducing these wide-ranging changes through a white paper?

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, it has not been the custom, as the hon. member knows, prior to tax measures being produced in the budget to have the kind of consultation the hon. member mentioned.

Mr. Nielsen: Tell that to Walter Gordon.

Mr. MacEachen: We have had a good deal of comment about the question of budget secrecy. Certainly that convention obviously precluded any meaningful consultation on specific measures prior to budget presentation. It seems to me that that is an issue which Parliament may want to examine as to how it may be possible in the future to alter that convention to have specific consultation before tax measures are introduced. In the past the practice has been to hear representations following the budget presentation and, where justified, to make changes. That has happened frequently in past budgets and it is something that I am quite prepared to contemplate in the present circumstances.

● (1420)

ADVICE GIVEN TO MINISTER

Hon. Michael Wilson (Etobicoke Centre): Madam Speaker, I would suggest to the minister that he brief himself on the past practices because, in the past, the knowledge of experts in the private sector was drawn upon. I should like to draw the attention of the House to the fact that this was done in this case as well. It appears that the only outside expert who was used in the preparation of this budget was a Professor Neil Brooks of Osgoode Hall. Professor Brooks is a well-known left wing tax adviser who, in the past, has advised the NDP on their tax proposals.

It is becoming more clear every day why the minister defends this budget that has been so misguided—

Madam Speaker: Order. Order, please. Does the hon. member have a question?

Mr. Baker (Nepean-Carleton): Sure he does; so does the country.

Mr. Wilson: Madam Speaker, I do have a question and I hope I get an answer. By ignoring the outside advisers who have assisted in the past, was the minister introducing a distinct shift in the philosophy of the government by relying

only on Professor Brooks this time, who clearly has a different point of view from that of many people in this House?

Mr. McDermid: From the majority of people in this House.

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, I want to assure the hon. member that I received no advice from Professor Brooks prior to the budget. I do not know what consultations my officials may have had with various persons. I hope that they did consult a wide group of people, as I did, on general matters. On the face of it I do resent the notion that any particular person with expertise in the field should not be consulted simply because the hon. member might describe him as a left winger. I am told there are some left wingers in the Tory party.

Some hon. Members: Oh, oh!

IMPACT OF PROVISIONS ON EMPLOYERS' CONTRIBUTIONS TO HEALTH BENEFIT PROGRAMS

Hon. David Crombie (Rosedale): Madam Speaker, my question is also for the Minister of Finance.

Mr. Broadbent: That is the whole left wing!

Some hon. Members: Oh, oh!

Mr. Crombie: I am sure the Minister of Finance is aware that one of the truly socially beneficial developments in the past number of years has been the negotiation of health and welfare benefit plans within collective agreements. This has allowed ordinary working people to gain coverage with respect to long-term disability, health and dental plans, group life insurance and so on. One of the great incentives of these plans has been the fact that employers' contributions have not been taxable. All that has changed in the budget and it has put those plans at risk. I know that the minister has received a number of representations from unions across the country and, indeed, from the Minister of Labour. I should like to ask him when he intends to announce a revision of this aspect of his budget.

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, am I justified in concluding that the hon. member is the left wing to which I referred earlier?

Mr. Baker (Nepean-Carleton): Take your choice, but answer the question.

Mr. MacEachen: The answer to the question is that if any revisions are made to any particular aspect of the budget they will be announced in the regular way.

REQUEST THAT MINISTER REVISE TAX PROVISIONS

Hon. David Crombie (Rosedale): Madam Speaker, this is no small or laughing matter to lots of people. These plans cover