Oral Questions

reduce gradually over the years the tax exemption for families with children?

Right Hon. Brian Mulroney (**Prime Minister**): No, Mr. Speaker. That is not what the Government intends to do.

Mr. Garneau: I have a supplementary, Mr. Speaker.

If the Government does not intend, or it is not this Government's policy, to reduce, gradually or otherwise, tax exemptions for dependent children, does it intend to reduce gradually the amount of universal family allowance now being paid?

Mr. Mulroney: I would say that having initiated the dialogue, we shall submit a document for discussion purposes and ask all Canadians to give us their comments, both critical and otherwise, to see whether together we can find a formula that will make it possible, as I said before, to allocate more funds to the people in our society who really need it. I am referring to people on very modest incomes, including widows and senior citizens. We have a moral obligation to help the elderly in our society, and I know I can count on my hon. friend's co-operation in this respect.

[English]

TAXATION QUERY

Hon. Edward Broadbent (Oshawa): Mr. Speaker, yesterday in response to a question put by myself, the Prime Minister did clearly indicate that the Government would not favour a special tax of any kind on a particular program in our social system. Outside the House, the Minister of Finance said something quite different. He said that that is still an option which the Government is considering. I listened carefully to what the Prime Minister had to say today and he said that he would maintain—and these were his words—"universality of delivery" in the system, which leaves open the possibility of the tax-back to which the Minister of Finance referred outside the House. Will the Prime Minister give us an unequivocally clear answer? Will he assure the House that there will be no tax-back provision of any kind applied to pensions or any other social program?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, the tax-back was raised and initiated by the Hon. Member for Vancouver East, a member of your own Party.

Mr. Broadbent: Here we go again.

Mr. Mulroney: That is where it came from. More important, the Hon. Member referred to a conversation or comment by the Minister of Finance. The Minister of Finance said yesterday, "There will be papers that will be sent out as soon as they are ready and we will set out the options that are available, and after that we want to have a rational debate". That is what the Minister of Finance is saying. I suppose the proper question is: Is the Leader of the New Democratic Party interested and capable of mature, rational debate on an important issue which affects the welfare of so many Canadians? I

invite the Hon. Member to set aside the nit-picking and to join in a healthy, vigorous, and positive debate, where we can help Canadians who need it most.

Some Hon. Members: Hear, hear!

Mr. Mulroney: I invite the Hon. Member to do that.

Mr. Broadbent: I do not need lectures on maturity from Mr. Puff'n'stuff who does not give a clear answer to any question in the House, whether it is asked by the Liberals, asked by ourselves, or even asked by his own back-benchers. It is time he lived up to the responsibility of his job.

GOVERNMENT POLICY

Hon. Edward Broadbent (Oshawa): I want a straight, factual answer. I know the Prime Minister has trouble dealing just with facts. But I will ask a factual question and see if he will give me a factual answer. Will he tell us what he told me yesterday, which was different from what was said by the Minister of Finance outside of the House? Will he assure Canadians, the pensioners, recipients of family allowances, for example—never mind just the Opposition—that there will not be any special tax imposed upon a particular social program? That is the question. Will he say yes or no?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I will tell the Hon. Member that, notwithstanding the pernicious tax suggestions made by the Hon. Member for Vancouver East, we will defend and enhance—

Mr. Broadbent: Yes or no?

Mr. Rodriguez: This is a recording.

Mr. Mulroney: —the integrity and the positive benefits which come from a universal social program—

Mr. Rossi: How do you spell "integrity"?

Mr. Mulroney: —in favour of the elderly in this country who need it so much. We will defend and enhance that program, as a Government in Canada which believes in the concept should. We hope to do it with the full co-operation of my hon. friends from the New Democratic Party. But I guarantee them that if they stick to those nasty tax habits where they want to destroy universality, we will fight them on that—

Mr. Skelly: Answer the question.

Mr. Mulroney: —because we are going to protect the integrity of universality in this country. I will guarantee it.

PROGRAM TAXATION QUERY

Hon. Edward Broadbent (Oshawa): Mr. Speaker, I will ask the Prime Minister for the third time.

Mr. Hnatyshyn: You don't like the answer, but it is true.