

Oral Questions

make changes on a permanent basis, changes that will reduce the tax burden on individuals and increase taxes for large corporations.

[English]

LEVEL OF PERSONAL INCOME TAX

Miss Aideen Nicholson (Trinity): Mr. Speaker, my question is for the Minister of Finance. It concerns his escalator taxes. Measures built in from previous Budgets go on increasing income tax invisibly so that this year a family with two wage-earners and two children with a total family income of \$30,000 will be paying an additional \$1,000 in income tax. Will the Minister not admit that he is the author of the problem of high personal income taxes which he now seeks to reform?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, what I can say the Government is the author of is a very substantial number of jobs that have been created during this whole period of fiscal management over which we have presided. We have seen interest rates drop four percentage points, the lowest level in about 10 years. With respect to mortgage rates I remind the Hon. Member that in the Budget I said that the cost of a \$50,000 mortgage will save the average taxpayer something in the order of \$1,500 a year in after-tax income. That has changed since September of 1984. Those are major, major changes which have resulted in major, major increases in the spending power of Canadians.

REQUEST FOR REDUCTION OF INCOME TAX

Miss Aideen Nicholson (Trinity): Mr. Speaker, the Minister did not answer my question. My supplementary question is the following. When the Minister has finished taking Canadians for a ride on his escalator will he return the income tax to the point where he started, or does his talk of reform mean something different, maybe half-way back?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, what tax reform will do is it will result in a fairer tax system, a less complex tax system, a tax system which will increase job capability. That will increase incentive in the economy and lead to a healthier economy, an economy that will create more jobs and be more competitive with the rest of the world. Those are the objectives that we want to achieve in tax reform. Those are our objectives that find a great deal of support right across the country.

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[Translation]

IMMIGRATION

SALVADORANS AND GUATEMALANS—REQUEST FOR EXPLANATION OF CANADA-UNITED STATES AGREEMENT

Mr. Dan Heap (Spadina): Mr. Speaker, my question is directed to the Minister of Employment and Immigration. He

said there is an agreement with American immigration officials to the effect that they will not deport Salvadorans or Guatemalans waiting for their immigration inquiry to take place in Canada.

[English]

Can the Minister assure us that there is a firm and legally reliable agreement on this matter with the United States? Will he table that agreement in the House today?

[Translation]

Hon. Benoît Bouchard (Minister of Employment and Immigration): Yes, Mr. Speaker, I indicated during this morning's press conference that Canada—and this dates back to some time—has an agreement with the United States of America which provides, particularly in this case, that people who apply for refugee status in Canada and whom we are unable to process immediately will not be deported by the United States. As I said, these agreements are not recent, but we did reconfirm them. We are exchanging correspondence, but I see no point in tabling documents today. I repeat, nobody has been deported by the United States, and I have been assured that none will be.

• (1140)

[English]

PROCESSING OF REFUGEE STATUS APPLICATIONS

Mr. Dan Heap (Spadina): Mr. Speaker, as the Minister knows, the agreements have been entirely informal and not binding.

My supplementary question to the Minister is this. Since he has refused to respond to the fair and quick system for deciding refugee status in Canada that was tabled in Parliament 15 months ago by the Standing Committee, and is now backed by the churches, the Canadian Bar Association, the Canadian Jewish Congress, and the New Democratic Party, why did he choose instead to overload the system of immigration inquiry, which is already jammed up with six-week delays, by adding hundreds more each week to its work-load by his order today?

[Translation]

Hon. Benoît Bouchard (Minister of Employment and Immigration): As I see it, Mr. Speaker, our first priority was to set up control measures to enable us to protect or admit genuine refugees. As the Hon. Member is suggesting, we simply had to do something to restrict the influx of people who are not bona fide refugees. All applicants will now go through the normal process, and we have resorted to stricter standards because we want to reduce the number of cases still pending.

I agree with him concerning the legislation and I can assure the Hon. Member that within a few weeks we will table a legislative measure which, among other things, will enable us to eliminate once and for all the cumbersome procedure which has always been followed and which has led to a huge backlog of applicants waiting for refugee status determination.