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the hope that they will not be crushed by a tax burden which they cannot maintain.

Mr. Riis: Mr. Speaker, I have just one question I want to put to the Minister. He had a great deal to say about the need to reduce the debt being the reason for a reduction in increases to the pensions Canada's senior citizens will receive. But he omitted reference to the billions of dollars which he knows are given to corporations each year. By these corporations' own admission, these breaks produce no gain whatsoever. The President of the Bank of Montreal spoke to the Canadian Manufacturers' Association in Toronto and said that the corporate sector is awash in corporate tax expenditures. That tells us that there is a lot of money which could be saved if there were some rationalization of the corporate tax expenditure side of the Budget.

Rather than take nearly \$1,500 over the next five years out of the purses and pockets of senior citizens, why did he not look at that corporate tax expenditure side of the account and use that to reduce the deficit?

Mr. Epp (Provencher): Mr. Speaker, I, the Minister of Finance and the Prime Minister, as well as others, have said that the size of the debt is such that all of us have to share in its reduction. The Minister of Finance has said to the Hon. Member, as well as others in this House on numerous occasions, that what the Hon. Member calls loopholes and others call incentives, that is, the matter of corporate taxation, is something he is looking at very carefully to see if there can be some changes to meet some of the points the Hon. Member has made. But I say that no matter how we rejig it, let us not leave the impression with the Canadian people that there is a magic money tree and that shaking it will have no effect on our trade, our competitiveness, or the ability of corporations to continue to create jobs. Let us look at these issues but not in isolation or in the belief that there is a painless way of reversing a situation where we have no control over 25 cents out of every dollar we spend. If there is one section of the Budget which operates by itself without any decision being taken by this House or the Government, it is the payment of interest on our national debt.

I say to the Hon. Member that he should take the Minister of Finance at face value when he says he will bring in changes regarding a minimum tax as well as the corporate tax structure. I have my dates right and I hope the Hon. Member has his right. The Minister has said that the minimum tax will come into effect on January 1, 1986. I am sure that the Hon. Member, being an honourable person, will go back to Kamloops and put all those positions forward to the seniors in his riding before he asks them to sign any petition.

Mr. Berger: Mr. Speaker, I have a great deal of respect for the Minister of National Health and Welfare (Mr. Epp). I have had the privilege of spending some time with him in the House and in its committees and elsewhere, and I respect his opinion. However, notwithstanding that, I was somewhat concerned about the tone of his comments. He sounded more like the Minister of Finance than like the Minister of National

Health and Welfare. I say that knowing that the deficit is a matter of concern to all of us here in this House. The Minister confirmed that when he quoted statements made by the previous Minister of National Health and Welfare, Madam Bégin, and by other members of our Party. However, he knows as well that in grappling with the deficit and trying to reduce it over a number of years, any Government has choices. There are different ways to try to bring the deficit down. When the six and five policy was introduced by the previous Liberal Government, full indexation of the OAS and GIS was assured for those living at the poverty line, those who received the full GIS. Perhaps I am not expressing myself entirely correctly, but the effect is the same: those who received the full GIS also received an extra payment to compensate for the amount they did not get by reason of capping the OAS.

This is the kind of sensitivity to the poorest elderly Canadians that we are asking of this Government. We are not asking the Government to throw out its whole budgetary policy—well, perhaps we are, but not on this particular point. We are simply asking the Minister to provide full cost of living increases for those living at the bottom of our income scale.

I would also point out to the Minister that his Government has just increased the maximum for RRSP contributions. Whom will that benefit? This was the recommendation of a number of task forces, yes, but perhaps because of the urgent situation we are in that should have been postponed for a period of time. The people who can afford to make those contributions could perhaps postpone those contributions for several years in order to help the elderly poor in our country. That is the kind of choice which this Government appears not to have made in this Budget.

So I appeal to the good judgment of the Minister. He is not going to win this argument by just talking about the deficit; he also has to address the question of choices which any Government has to make in dealing with that deficit. Our opinion is that some of the choices made by this Government in presenting this Budget were not judicious ones and do not do justice to all of the elderly in our country.

● (1610)

Mr. Epp (Provencher): Mr. Speaker, the Hon. Member puts forward some very lucid points. He is absolutely correct when he says that we must remain sensitive.

However, let me point out what is in the Budget. His Party and the New Democratic Party plan to tell senior citizens throughout the country that their income will be cut immediately, and they project that to 1990-91. They can do so for political reasons, if they wish, but in doing so I have not heard them say that the Minister of Finance has made a provision in the Budget to monitor the situation when this plan comes into effect on January 1, 1986.

The Hon. Member's suggestion of increasing the GIS was one option. He accuses me of sounding like the Minister of Finance. I have the responsibility in Cabinet and to the country for those client groups that specifically receive services from my Department. I suggest that this includes almost every