

Oral Questions

officials are engaged in a long-term preparation of budgetary measures. They are considering all forms of budgetary matters, and they are doing what the Leader of the Opposition's minister did when he considered abolishing the indexing system.

What will be done with that consideration is something that the minister himself has not decided and certainly the government has not examined.

Mr. Clark: The Prime Minister has just confirmed that the government is now actively considering ending the indexing system.

Some hon. Members: Oh, oh!

Mr. Clark: May I remind the Prime Minister of the statement made by his then minister of finance, the Hon. John Turner, at the time of introducing the indexing system: Mr. Turner said:

—this new system will be recognized everywhere as a bold and sensitive response to a fundamental tax problem.

Having regard to the excessively high rates of inflation in the country, will the Prime Minister tell the House of Commons what circumstances have changed to lead his government and his Minister of Finance to consider, as the Prime Minister has just admitted they are, abandoning this, in the words of Mr. Turner, "bold and sensitive response to a fundamental tax problem"?

Mr. Trudeau: If the Leader of the Opposition is quoting authorities, he might ask himself why in the face of that eminent authority his own minister of finance examined the possibility of abolishing indexing.

I repeat, it is the duty of every minister of finance to look at the whole range of instruments that are at his disposal to arrive at a fair and equitable budgetary decision—and that is what he is doing, exactly as the Tory minister of finance did.

Mr. Clark: We would be very pleased if this government could do exactly what we did regarding indexing, because we considered it and we rejected the proposal absolutely. Since the Prime Minister is not prepared at this stage to follow our lead and reject a proposal—

● (1420)

Some hon. Members: Oh, oh!

Mr. Baker (Nepean-Carleton): Listen to the howls over there; they sound dreadful.

Mr. Clark: Since the Prime Minister is not prepared to follow our lead and reject a proposal which would impose a very heavy burden upon the poor in Canada and upon low and middle-income Canadians, will he follow our lead in another respect? He knows that a year ago, when there was concern about the question of interest rates, the government of the day referred that question to a standing committee so that all aspects could be considered.

Some hon. Members: Question!

Mr. Clark: If the Prime Minister wants a serious consideration of indexing, will he refer the question of indexing to a standing committee of this House of Commons, so that members on this side of the House who believe that indexing should not be stopped and that the poor should be protected will have an opportunity to stop the Minister of Finance from ending indexing?

Some hon. Members: Hear, hear!

Mr. Lalonde: The poor do not pay taxes.

Mr. Trudeau: Madam Speaker, I will gladly undertake to follow the lead of the hon. Leader of the Opposition at least part way if he could inform us when his minister stopped considering deindexation. We do not know that. We know that he considered it, we know that in the final result he did not adopt it; but how many weeks or months before budget night did he stop considering de-indexation? If we have that information, perhaps we can follow the lead.

Some hon. Members: Hear, hear!

Mr. Clark: Madam Speaker, the minister of finance in my government stopped consideration of the ending of indexation moments, months, days after he began that consideration.

An hon. Member: Moments, months, days?

Mr. Clark: We now have an undertaking by the Prime Minister that they will follow that lead.

Some hon. Members: Question.

Mr. Clark: Will the Prime Minister of Canada—

Madam Speaker: Order, please. May I ask the right hon. Leader of the Opposition to put his question.

Mr. Andre: What? You should ask them to stop.

Mr. Clark: Madam Speaker, my problem is that I am receiving questions and considerable heckling from the other side.

Some hon. Members: Oh, oh!

Mr. Andre: That is right.

Mr. Clark: Will the Prime Minister—

Some hon. Members: Oh, oh!

Madam Speaker: Order, please. The right hon. Leader of the Opposition.

Some hon. Members: Hear, hear!

Mr. Clark: Will the Prime Minister, knowing that our government rejected that proposal quickly, now instruct his Minister of Finance to reject immediately any consideration of the ending of indexing which would place an unpardonable