

*Oral Questions**[English]*

Hon. Barbara McDougall (Minister of State (Privatization)): Mr. Speaker, the Minister of National Health and Welfare has already said that we will not be meeting the June 30 deadline. That is not to say that we are not making progress on the issue or that we will not have a commitment in place for the Prime Minister when he meets with the First Ministers in November.

[Translation]

INQUIRY HOW MUCH MONEY GOVERNMENT INTENDS TO ALLOT FOR QUALITY DAYCARE SERVICES

Mrs. Lucie Pépin (Outremont): Mr. Speaker, I would also like the Prime Minister to tell me how much money his Government is willing to spend on quality daycare services, considering that the Government is willing to spend several billion dollars to track submarines. Given those circumstances, is the Government ready to tell us how much money it intends to allot for quality daycare services?

[English]

We want to know where the Prime Minister stands on this issue.

Ms. Copps: Absolutely.

[Translation]

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, is the Hon. Member stating a policy of the Liberal party against the provisions of the White Paper on National Defence? That would be most interesting. If it is the position of the Official Opposition, we would be very interested to know about it.

[English]

Ms. Copps: What is your position on day care?

[Translation]

Mr. Mulroney: With respect to daycare, we have inherited, as the Hon. Member knows, a very difficult situation. We are amending, developing and identifying with the provinces a new position which will be proudly acknowledged by all Hon. Members including the Hon. Member for Outremont when our great national project on behalf of women and children in Canada is submitted to the House.

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INCOME TAX

DEFERRED CORPORATE TAXES—GOVERNMENT POSITION

Mr. Mike Cassidy (Ottawa Centre): Mr. Speaker, my question to the Minister of Finance relates to the impact of tax reform on the \$28 billion's worth of deferred taxes owed the Canadian Government by Canadian Corporations, since a 20 per cent reduction in the corporate tax rate could put \$6 billion in the pockets of those corporations.

We know that where a Canadian would have taxes owing Revenue Canada, he would pay the full 100 per cent. Would that policy apply to corporate deferred taxes, or does the Minister intend to retroactively grant corporations a tax reduction worth \$6 billion?

[English]

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, it would be helpful if the finance critic for the New Democratic Party were to collaborate with his Leader before Question Period, because that is the precisely the same question that his Leader just put to me.

Mr. Cassidy: Mr. Speaker, my simple reason for asking the question is to determine whether deferred corporate taxes will be paid in full, or whether the Government intends to give a retroactive tax cut to corporations through a corporate tax cut which would apply to deferred taxes.

POSSIBLE EFFECT OF TAX CUT ON CORPORATIONS

Mr. Mike Cassidy (Ottawa Centre): Mr. Speaker, taking three companies alone, Canadian Pacific, Bell Canada, and Imperial Oil, they have among them \$5.4 billion of deferred taxes sitting on their books.

Some Hon. Members: Question.

Mr. Cassidy: If the tax rate on corporations is cut by 20 per cent, those companies will realize a windfall of \$1 billion by way of tax savings.

● (1440)

Is it the Minister's intention to give these three companies a windfall of \$1 billion, or will he ensure that tax cuts are only available in the future and that corporations do not get a retroactive tax cut as well?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, the answer is exactly the same as the one I gave to his Leader a few minutes ago.

The White Paper will be brought in on Thursday evening. At that time this question and a number of other questions which the Hon. Member has been putting to me in relation to the taxation of corporations and individuals will be answered.

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NUCLEAR ENERGY

REPORTED DESIGN FLAWS IN UNITED STATES PERRY NUCLEAR GENERATING STATION

Mr. Alan Redway (York East): Mr. Speaker, in the absence of the Secretary of State for External Affairs, my question is directed to whomever might be answering for him.

In light of the very serious allegations made last week in respect of design flaws in the Perry nuclear generating station