

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I believe that the Hon. Member is still the energy critic for the New Democratic Party. He will know that the tax position of the oil industry today, after the changes that have been brought about by this Budget, is less attractive to the industry than it was prior to the energy agreement in October 1980. We have put the oil and gas industry back into a position where it is being treated equally with other industries in the country, with no discrimination, and that did involve taking some favourable tax measures away from the oil and gas industry that were in place prior to October, 1980.

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FOOD AND DRUGS

BAN ON USING CHLORAMPHENICOL WITH LIVESTOCK

Mr. Felix Holtmann (Selkirk-Interlake): Mr. Speaker, through you I would like to address this question to the Minister of National Health and Welfare. In view of the fact that five American states, South Dakota, Iowa, Nebraska, Wisconsin, and Minnesota, have effectively banned the importation of Canadian livestock and meat due to the use of the drug chloramphenicol in Canada, could the Minister tell this House what action, if any, is the Government prepared to take so that Canadian farmers can sell again, the United States?

Hon. Jake Epp (Minister of National Health and Welfare): Mr. Speaker, I think all of us have been concerned about the ban in the five states, and that chloramphenicol was used as the example to have that ban put into effect. I believe that it is a non-tariff barrier. I think government Members feel that it is a non-tariff barrier, but prior even to that date we had put in a 60-day review period. As of last Thursday, Cabinet signed an order, but we waited until yesterday's decision on the counter-vail by the U.S. Commerce Department. This morning, as a result of the hardship to Canadian producers that emerged, we decided that immediate action should be taken on the ban. I, therefore, effectively immediately, am imposing a temporary ban on the use and sale of chloramphenicol for food-producing animals.

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HOUSE OF COMMONS

PRESENCE IN GALLERY OF NEW BRUNSWICK MINISTER OF MUNICIPAL AFFAIRS

Mr. Speaker: May I interrupt to advise Members of the presence in our gallery of Mr. Yvon Poitras, Minister of Municipal Affairs for the Province of New Brunswick.

Some Hon. Members: Hear, hear!

Oral Questions

PENSIONS

REQUEST THAT BUDGET MEASURE BE RESCINDED

Miss Aileen Nicholson (Trinity): Mr. Speaker, my question is for the Right Hon. Prime Minister. Since the Prime Minister promised last July, and I quote, "complete indexing of old age pensions to the actual cost of living", and since in November he further promised that any money saved through the review of universal social programs would be redirected to people in need, will the Prime Minister honour these two promises and instruct his Minister of Finance not to proceed with the \$1.6 billion assault on the pockets of Canadian pensioners?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, my hon. friend asks a very good question. I do not think there is any doubt that the wish of all Members of the House of Commons is to do more for the senior citizens, the elderly and the disabled. We have taken many initiatives since we have been here, to extend the spousal allowance, to extend the definition of disability and so on, along those lines.

What my hon. friend, given her expertise in finance, would, I think, readily acknowledge is that there is substantial peril to the social programs in Canada involved in the financing required for deficit coverage. What we have been trying to do precisely is to begin the process of financing, but we want to do it with as much fairness as is humanly possible. This is why there was no precipitous action taken on this, and why it was triggered for next January to take effect in April of 1986, so we would have the time to listen to my hon. friend, and to monitor the economic situation so that—

Mr. Speaker: With great respect, the question was quite short.

REQUEST FOR RECONSIDERATION

Miss Aileen Nicholson (Trinity): Mr. Speaker, taking money away from consumers will not reduce the deficit. It will slow growth, and increase unemployment. Even *The Wall Street Journal*, so admired by Members opposite, has described the Canadian Budget as a prescription for economic disaster.

● (1450)

Recognizing that the Prime Minister has often spoken of a compassionate society, and I am sure he was sincere, may I remind him that 10 groups, representing one million Canadian senior citizens, have asked for this—

Mr. Speaker: With great respect, the Hon. Member is making a long preamble to her supplementary question. Does she have a question, please?

Miss Nicholson (Trinity): Yes, Mr. Speaker. Since 10 groups, representing one million Canadian senior citizens, have said that the measure will represent an attack on the compas-