

observe universality in payments to both of those groups who are recipients? If it is, and if, as the Prime Minister has said, the Minister of Finance is announcing policy which is not a part of government policy, why is the Minister of Finance being allowed to make these statements?

**Right Hon. Brian Mulroney (Prime Minister):** Mr. Speaker, the Minister of Finance has not announced policies in any way counter to—

**Mr. Blaikie:** He is babbling.

**Mr. Mulroney:**—what we have discussed in the House. Any Hon. Member of this House, including, I assume, my hon. friend, has from time to time had his phrases unintentionally distorted by the media—

**Mr. Deans:** Come on!

**Mr. Mulroney:** In point of fact, the Minister of Finance has been thoroughly consistent—

**Mr. Deans:** That won't wash, not this time.

**Mr. Mulroney:** We would hope, given the calamitous economic situation which we inherited, that there would be a degree of maturity and co-operation from the Opposition to help the Government and to help the country through a difficult period, as opposed to the distortions and nit picking which we see coming from the other side of the House.

We are inviting your co-operation and your understanding of the new way of consultation so that we can bring about economic growth and prosperity.

#### RECORDING OF MINISTER'S WORDS

**Mr. Neil Young (Beaches):** My supplementary question is also directed to the Prime Minister, Mr. Speaker. What we have here is government by a wink and a nod. I listened to the tape as well as the Prime Minister did. Is the Prime Minister suggesting to this House that the Canadian Press reporter played around with that tape and actually falsified the tape? I heard the tape. What the Minister of Finance said is exactly what is being said by other Hon. Members in this House.

**Right Hon. Brian Mulroney (Prime Minister):** I am making no such suggestion at all. The Canadian Press reporters involved, I understand, are extremely competent people and are held in high regard for that reason. All I am saying is that the manner in which the statement appeared in some newspapers was not at all consistent with what the Minister of Finance was saying.

**Ms. Mitchell:** What about the tape?

**Mr. Mulroney:** I can assure you that what the Minister of Finance was saying was consistent with our desire to improve the economic situation of the country and does in no way—in no way—take positions which do violence to honourable Canadian customs.

#### Oral Questions

[Translation]

LEVEL OF REVENUE AFFECTED BY BUDGETARY CUT-BACKS

**Mr. Jean-Robert Gauthier (Ottawa-Vanier):** Through you, Mr. Speaker, I should like to direct my question to the Prime Minister and afford him an opportunity to explain himself.

Mr. Prime Minister, there is a contradiction in this government. The media and the Canadian people have their own perceptions concerning your position and that of your Minister of Finance. Let us try to see through the smokescreen of verbiage which befogs the whole issue.

Can you tell us, and this relates to the question of the Hon. Member for Laval-des-Rapides . . . Over 13 million tax returns fall below the \$35,000 mark.

At what income level will your cut-backs in social programs—such as family allowances and old age pensions—become operative?

**Right Hon. Brian Mulroney (Prime Minister):** Mr. Speaker, that is the purpose of the consultation process, the purpose of the dialogue with Members of the Opposition, the unions and the private sector. That is the purpose of the economic summit, of the First Ministers' conference scheduled for February 14 and 15.

Considering the pitiful inheritance we were left with, what can be done to bring relief to those Canadians who need the help of the federal machinery?

We want to try to bring help to needy Canadians, and that is the explanation. No decision has been made, as my colleague would know, and we urge him to enlighten us and co-operate with us in the preparation of more generous policies towards our destitute fellow Canadians.

#### BUDGETARY CUT-BACKS—POSITION OF BAIE-COMEAU RESIDENTS

**Mr. Jean-Robert Gauthier (Ottawa-Vanier):** A supplementary, Mr. Speaker.

If I understood correctly, the Prime Minister has just confessed that his mind is made up. He consults, then confirms.

May I ask the Prime Minister if people in his riding—Baie-Comeau, for example—will accept that their family allowances and their old age security benefits be reduced without having been consulted about it? I am sorry, but the Prime Minister did not have a mandate to reduce old age security benefits.

**Right Hon. Brian Mulroney (Prime Minister):** The people of Baie-Comeau who are watching us will say: Here is the Member for Vanier trying to misrepresent the position of our dear Member, for that is exactly what you are doing.

The Hon. Member knows very well that I never said that, that the Minister of Finance never said that, but honest