

*Oral Questions*

continually being studied. I think it has been studied and now the minister and the officials are waiting for a time, when budgetary preparation comes, to raise it with their colleagues or not to raise it with their colleagues.

If the term "kite-flying" used by the hon. member applies, it is to the opposition which is constantly raising this question as though it was something that was with us. We do not know. We are in exactly the same position the opposition was in when it formed the government, in looking at various budgetary techniques. We have the admission that they also looked at that one. We did not make—

**Mr. Baker (Nepean-Carleton):** And rejected it.

**Mr. Trudeau:** We knew on budget night that it was rejected, and the opposition will find out on budget night whether we reject it or not. Certainly, when it was admitted that they were studying this technique, we did not spend all our efforts and energies telling them to stop studying. It is something that they looked at, and we are interested in the net results. When the budget comes down, the opposition will have every chance to say whether it agrees with the budget or not.

● (1420)

**Mr. Stevens:** The Prime Minister could stop this discussion today by simply saying they are ruling out any suggestion of deindexing. He made it abundantly clear that they are considering it. He asks, what is the cost? The cost is \$1.5 billion as far as federal revenues alone are concerned.

My supplementary question is this: because at the federal level they are persisting in their study of deindexing federal income tax in the country, has he at least consulted the provinces, which have tremendous revenue at stake with respect to this question; and if not, does he propose to do so before introducing this in his coming budget?

**Mr. Trudeau:** Madam Speaker, the hon. member enjoined us to stop studying this matter. I will make a proposition to him and to the members of his party: we will stop studying it if they stop talking about it.

**Some hon. Members:** Oh, oh!

**Mr. Stevens:** Madam Speaker, when the Prime Minister says something like that, you can be sure it is going to be in the budget, whenever the budget comes down. Speaking about the budget, last Thursday, in reply to a question put by myself as to when we might expect a budget, the Prime Minister stated:

We shall try to do as well as the opposition in presenting a budget within a given date of the day on which we were elected.

Madam Speaker, I checked that out. It took us 29 weeks—203 days—to bring in a budget. This means that unless he is going to fail in what he said he would do last Thursday, his budget has to be in by September 8. Can we have that commitment today?

**Some hon. Members:** Hear, hear!

**Mr. Trudeau:** I indicated we would attempt to do that, and we shall.

POSSIBILITY OF DE-INDEXING—EFFECT ON LOWER INCOME  
CANADIANS

**Mr. Bill Wright (Calgary North):** Madam Speaker, my question, too, is directed to the Prime Minister. In a statement before the finance committee last week, Dr. Ian Stewart, the deputy minister of finance, stated that the poor would be more affected by deindexing than would those in higher income brackets. Considering this, how can the government be contemplating such an onerous move?

**Right Hon. P. E. Trudeau (Prime Minister):** Madam Speaker, I know we are all aware of the rules which preclude us from commenting on what happens in committee. I understand that even the opposition is aware of these rules.

**Some hon. Members:** Oh, oh!

**Mr. Trudeau:** I think we now see the reason for which the rules are thus conceived; it is because ministers, officials, appear before committees; in this case the deputy minister of finance has appeared before a committee and tried to answer questions of a theoretical nature, because in practice he does not know what the budget will contain because even the government does not yet know, and now, in a sense he is being quoted in the House for being frank and candid and saying, yes, there are many ways of levying taxes, and this is one of them.

I repeat, the government's position has been that until the budget is finally decided, the Minister of Finance and myself, let alone the deputy minister of finance, do not know whether there will be deindexing or not.

**Mr. Wright:** My supplementary to the Prime Minister is this: someone said in the finance committee meeting that everything is fair game in looking at indexing, whether it be personal and corporate taxes, whether it be sales and excise tax—

**Some hon. Members:** Order.

**Mr. Wright:**—whether it be the consequences of various forms of deindexing. Does the Prime Minister agree with this statement that someone made? I am not allowed to quote him.

**Mr. Trudeau:** I do not understand the question. Madam Speaker, I will give the hon. member another chance.

**Mr. Wright:** Dr. Stuart also said in the finance committee meeting that everything is fair game from the government's standpoint in considering deindexing, whether it be sales taxes, whether it be personal income taxes, whether it be corporate taxes or the various consequences of deindexation. Does the right hon. gentleman agree with that statement?