

My question is directed to the Minister of National Health and Welfare. Today there has been an admission in the House that there will be a tax-back on senior citizens' benefits and family allowances. I would like to ask the Minister of National Health and Welfare if he can tell us at what threshold he will stop in the tax-backs. Will it be the \$26,000 figure he quoted last week? This would mean that more than half of working Canadians will be caught by his Government's ripoff tax-backs which indicate that the Government is renegeing on the social contract with the Canadian people.

Hon. Jake Epp (Minister of National Health and Welfare): Mr. Speaker, I find the Hon. Member's comments passing strange, for the simple reason that the very \$26,330, which we have not established or confirmed as a threshold, was used by her Party. Why would she not only call it unfair but use it as a basis of determining that the entire system is unfair? Obviously our system will be more fair than the one she has supported.

● (1440)

Some Hon. Members: Hear, hear!

Ms. Copps: Mr. Speaker, in fact I am quoting the words of the Minister of National Health and Welfare from an interview in which he stated that \$26,000 was the base figure being used.

DESCRIPTION OF SYSTEM

Ms. Sheila Copps (Hamilton East): Mr. Speaker, does the Minister still agree with the statement which he made in November when he said:

If we were to leave the system untouched, we would be leaving in place a system that, strictly speaking, not only is not universal, but is in fact regressive—

Does he believe that the universal system, which we hold dear in this Party, is a regressive system?

Hon. Jake Epp (Minister of National Health and Welfare): Mr. Speaker, I will tell the Hon. Member that I think anyone who has looked at the system sanely and quietly will say that it is regressive. For example—

Ms. Copps: It is regressive.

Mr. Epp (Provencher): Oh, you agree that it is regressive. Let me give the Hon. Member a very quick example—

Mr. Axworthy: There is no—

Mr. Hnatyshyn: Let Sheila speak for herself.

Some Hon. Members: Oh, oh!

Mr. Epp (Provencher): First, I will tell the Hon. Member that the manner in which she used my quotes was inaccurate. I wish she would be accurate.

Second, under the tax exemption plan of Revenue Canada today, it is regressive in the sense that anyone who has a larger income has a greater benefit in terms of reduced taxation

because of the tax exemption. Surely that is regressive. The person who does not pay any tax does not get that benefit. So, if that meets her definition of regressive, as it does mine, then in that sense the system is regressive.

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ENVIRONMENTAL AFFAIRS

NATIONAL RESEARCH COUNCIL BUDGETARY CUT-BACKS— IMPACT ON PROGRAMS

Mr. Bill Blaikie (Winnipeg-Birds Hill): Mr. Speaker, I almost hate to change the topic, but I would like to direct a question to the Prime Minister which deals with another area that is of universal concern to all Canadians, that is, the quality of our environment. It is a universality question, whether or not we like it.

Yesterday my colleague, the Hon. Member for Skeena, released information regarding the scope of the cut-backs in the National Research Council Environmental Secretariat which performs important studies into such things as fetal hazards and the effect of environmental lead on children. Those programs have been cancelled. Does the Prime Minister not think that these programs are important? If he does think they are important, will he have them reinstated?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, indeed I think that all the programs were important. It was a question of the budgetary restraints which were imposed upon us and the priorities which were established. I hope my hon. friend will agree that it was done with care and concern for the total environment of Canada.

Mr. Blaikie: Mr. Speaker, I would remind the Prime Minister that the environmental deficit which this Government will leave Canada if it continues with these programs is every bit as serious, in another dimension completely, as the financial deficit to which the Prime Minister keeps referring.

REQUEST THAT CUT-BACKS BE REVIEWED

Mr. Bill Blaikie (Winnipeg-Birds Hill): Mr. Speaker, when will the Prime Minister and his colleagues realize the tragic short-sightedness of the cut-backs in the Environmental Secretariat of the NRC? When will the Government show the kind of willingness to reconsider, that I think the Minister of the Environment showed last week when she indicated that some changes might be made to the cut-backs in research in the Canadian Wildlife Service, and have the entire set of cut-backs reviewed?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, indeed I think the Minister did indicate that last week. She is expected back in the House tomorrow. I am sure she will be delighted to meet with the Hon. Member to review it.