

*Oral Questions*

Planned retaliation by both Canadian and United States fishing fleets means disastrous overfishing of the salmon stocks and the possible repeat of what has happened with the east coast fishery.

We cannot sit back and watch this fishery disaster unfold. It is time our Prime Minister called on the President of the United States to intervene in this crisis if a full scale salmon war is to be averted.

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## ORAL QUESTIONS PERIOD

[*Translation*]

### FAMILY TRUSTS

**Hon. Lucien Bouchard (Leader of the Opposition):** Mr. Speaker, a Canadian Press dispatch reports that a lobby group representing the interests of wealthy Canadian families, the Canadian Association for Family Enterprise, apparently persuaded the former government last year to extend family trusts, a form of tax shelter.

My question is for the Minister of Finance. Having left family trusts untouched in his budget, can the minister tell us if he too caved in to the pressure from these same lobbyists, after having strongly condemned himself the Conservatives' decision in 1993 to extend this form of abuse which allows wealthy families to shelter hundreds of millions of dollars from taxes each year?

**Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec):** Mr. Speaker, we stated very clearly in our budget that the issue of family trusts was one of considerable concern to us and, in order for information to be made truly public, it was our intention—and it still is—to refer the matter to the finance committee, which is what we intend to do.

Regarding this lobby group which put pressure on the government, I must admit that I know nothing about it because it did not put any pressure on us. Their target was the previous government, at a time when the Leader of the Opposition was a member of Cabinet.

**Hon. Lucien Bouchard (Leader of the Opposition):** Mr. Speaker, just a technical reminder, but I resigned from the Conservative cabinet in May 1990 and this decision was made in 1993.

I get the feeling that many Canadian and Quebec taxpayers are fed up with the evasive answers of the minister, who seems content to refer the matter to a committee. While the committees sit, the wealthy line their pockets and the poor pay!

Can the Minister of Finance confirm if the figures published today by Canadian Press and showing that his decision to

maintain these trusts allows a wealthy Canadian family to save an average of \$10 million each year are indeed correct, and how can he allow them to continue enjoying this kind of perk when, at the same time, he is imposing heavy burdens on the unemployed and on the disadvantaged?

[*English*]

**Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec):** Mr. Speaker, when we took office, having opposed the previous government and the way it was treating family trusts, we found that the information we were being provided was inadequate.

As a result of that and because we really wanted this to be a public debate we referred it to the finance committee in order that Canadians have an opportunity to have that debate.

I would also remind the Leader of the Opposition that in 1987 he was a member of the previous cabinet. In 1987 the previous government was going to do something about it and that is when it began to react to lobbyists, when he was a member of that cabinet.

• (1420)

[*Translation*]

**Hon. Lucien Bouchard (Leader of the Opposition):** Mr. Speaker, for the sake of this discussion, it should be pointed out that we have the Liberals to thank for this marvellous tax shelter which they introduced in 1972 for a period of 21 years. It was slated to expire in 1993 and it was the Conservatives who extended it. What the wealthy families wanted was time, and they got plenty of it thanks to the Minister of Finance who came to their defence.

How can the Minister of Finance expect to be a credible defender of family trusts when on April 19, 1993, he rose in this House to vote against the Conservatives' decision to extend the perks enjoyed by wealthy families? What possible reason can the minister give for his complete about-face which will deprive the government of hundreds of millions of dollars each year in tax revenues?

**Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec):** Mr. Speaker, the best way to stop abuse is by being open. Why is the Leader of the Opposition afraid of a public debate before the finance committee on which his party will be represented? We are not afraid of a debate. We are not afraid of providing the Canadian public with information and I can only wonder why the Leader of the Opposition continues to say that we are dodging this issue. What about his record as a minister in the Mulroney government when it caved in to pressure from lobbyists?