

*Oral Questions***Hon. Jake Epp (Minister of National Health and Welfare):**

Mr. Speaker, the Hon. Member for Winnipeg-Fort Garry should be careful with his selection of facts, if those are facts at all. I will tell him why. Under the child tax credit system, the Liberal Government which introduced that program had a turning point of \$26,330 namely, that a family with a net income at that level would receive the full child tax credit. From that amount of money up to a net family income of \$41,000, the child tax credit was totally gone. That was their plan. If the Liberals are arguing that that is a removal of universality or will somehow negatively affect Canadian families, I do not understand, because it was their plan.

When we look at these plans, let's be sensible in terms of what is on the table and what Canadians are receiving, and let's not put forward motives that simply do not exist, motives which are dishonest and which we have never been following.

## REVIEW OF BENEFITS

**Hon. Lloyd Axworthy (Winnipeg-Fort Garry):** Mr. Speaker, my supplementary question is directed to either the Minister of National Health and Welfare or the Prime Minister. I would remind them that when we brought in the child tax credit, we did not reduce the basic benefits to senior citizens or families in those cases. Do the plans that the Minister is preparing, and the examinations undertaken by his Department, in any way involve the reduction of the existing benefit structure or formulae, either through the tax system or through direct benefits to senior citizens or families who presently receive the old age pension or the family allowance? Will there be any form of reduction whatsoever to the existing basic benefit plan?

**Hon. Jake Epp (Minister of National Health and Welfare):** Mr. Speaker, I would say to the Hon. Member for Winnipeg-Fort Garry that the answer to those reductions that he is trying to impute as a motive of the Government is, no.

**Mr. Axworthy:** What about the Minister of Finance?

**Mr. Epp (Provencher):** I will give the Hon. Member an answer, if he just gives me some time. The point I would make to the Hon. Member, and to all Members of the House, is simply this: at the present time the tax system does allow for a tax on income whether it is income of a senior citizen or a family. There is no problem there, I would think. The only question is what NAPA has said, what the Status of Women today and the Hon. Member for Sudbury have said, and I can turn to the debate of July 26 and the words of the Hon. Member for Vancouver East—we were all in the same studio—he said, on behalf of the then Liberal Government, that they would be considering taxing back and re-arranging. Is it fair to re-examine a certain amount of the money that goes to the upper-income level, and to re-direct it to those who are not as well off as the Hon. Member and I?

## TAXATION OF INCOMES

**Ms. Margaret Mitchell (Vancouver East):** Mr. Speaker, my question is directed to the Minister of Finance. This Party believes in taxing all incomes, and in taxing the wealthy who pay little income tax now in proportion to their incomes in order to pay for the cost of all social programs. We do not believe in taxing specific social programs. Is this what the Minister is proposing to do?

**Hon. Michael Wilson (Minister of Finance):** Mr. Speaker, I am not sure that I got the sense of that question. If the Hon. Member is asking whether or not we are intending to tax social programs like Old Age Security and Family Allowances, I would say that today those are taxed. There has been no change. According to what the Minister of Health and Welfare has said, we are looking at the possibility of taxing some of those programs for those in the upper-income brackets to allow us to provide a greater degree of assistance to those who are in greater need, in the same way as the Hon. Member herself said that they would be prepared to tax upper-income Canadians and tax back their old age pensions as well. There is no difference between us. We are trying to have an honest, open, and objective debate on how we should achieve this. I would encourage the Hon. Member and members of her Party to join in that debate.

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

## ACCESS TO UNIVERSAL PROGRAMS

**Ms. Margaret Mitchell (Vancouver East):** Mr. Speaker, we are talking about global taxation, not program taxation. I would like to ask the Minister if he intends to undermine a very proud Canadian tradition, the right of all Canadians, regardless of their incomes, to the universal social programs which they have earned by their contribution to Canada and for which they have paid through their taxes. What is his intention?

**Hon. Michael Wilson (Minister of Finance):** Mr. Speaker, the answer is no. We have every intention of leaving the principle of universality in place, whether it is for benefits for the elderly, family benefits, or medicare. These are things that we hold as strongly as the Hon. Member opposite. We are committed to holding those, and we are not going to tax back the old age pensions in the way that the Hon. Member described last July.

## INCOME LEVELS

**Ms. Sheila Copps (Hamilton East):** Mr. Speaker, it is interesting that the comments made by the Finance Minister today do not jibe with the comments he made when he said that there are people who don't need it and that upper and middle-income social programs cannot be afforded today. That is what the Minister said last week.