

budget. The minister knows that this is a direction which the Progressive Conservative Party has been supporting and advocating since the November budget, but one which has been opposed by his advisers.

● (1420)

Since his advisers represent a very important part of the decisions that he is going to make, would the minister tell us why he has transferred the left-leaning adviser Neil Brooks from a temporary relationship with the government to a permanent position within the government—because this man has consistently opposed tax incentives?

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

**Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance):** Madam Speaker, I am not aware that Mr. Brooks has either left-leaning or right-leaning tendencies. It is not my custom to subject public servants to an ideological test.

**An hon. Member:** What about Neil Fraser?

**Mr. MacEachen:** If that is the attitude of the Conservative Party, it is an attitude from which I would like to dissociate myself.

#### IMPUTED RENTAL INCOME

**Hon. Michael Wilson (Etobicoke Centre):** Madam Speaker, the minister again has failed to answer the question. I presume he just does not want to answer that question because it is too close to home.

Let me refer to one other matter in relation to the budget. One of the most socialist elements of the budget and the tax policy that enters into the budget is the proposal referred to in the budget documents of taxing the imputed rent on the homes that individual taxpayers own. I know that the minister is going to say that last Friday he said under no circumstances was he going to do that sort of thing. But I want to put a question to the minister that has been asked of me by Canadians.

How can we as Canadians rely on the word of the Minister of Finance when in 1974 the same government said they would not bring in wage and price controls and then a year later they brought them in? And in 1980 they said the people should vote Liberal to keep energy prices down, and you know what has happened now. Can the minister answer that question for Canadians: how can they rely on him?

**Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance):** It is on occasions like this that I really would like to see the member for St. John's West back in his seat and asking questions on finance, because he would be able to put some point to the questions. If I could search deeply into that massive verbiage, I would find the reference to imputed

rents. Of course, today during the Standing Order 43 period of the House hon. members opposite came to the defence of the Dominion Life Assurance Company, particularly the president, and seemed to believe that it is fair for any responsible corporation in the country to put out false propaganda—

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

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

**Mr. MacEachen:**—propaganda to the effect that it was the—

**An hon. Member:** That is your preserve.

**Mr. MacEachen:**—intention of the government to tax the imputed rents of Canadian home owners. Now, Madam Speaker, that is a very serious question.

**An hon. Member:** Why are you doing that, Allan?

**Mr. MacEachen:** Many home owners in the country are asking if the propaganda put out by Dominion Life is accurate. I want to make it clear again and again, if asked, that there never has been an intention, there is no such present intention, to tax imputed rents.

**An hon. Member:** In the budget.

**Mr. MacEachen:** If hon. members want to be fair and want to find out the origin of the concept of imputed rent, they will go back to the budget documents tabled by the member for St. John's West when he was minister of finance in 1979.

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

**An hon. Member:** He tabled a Liberal document.

**Mr. MacEachen:** I wonder why Dominion Life did not get up on its high horse in 1979 when that concept came from the Tory party.

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

#### PEOPLE'S TRUST

**Hon. Michael Wilson (Etobicoke Centre):** Madam Speaker—

**An hon. Member:** Go get him Michael.

**Mr. Wilson:**—let me remind the minister that the paper that was issued when the hon. member for St. John's West was minister was a departmental paper.

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

**Mr. Wilson:** Taxation imputed rent was referred to in the budget speech of this minister and in the appropriate budget documents attached to the budget speech. That is why the Dominion Life letter was put out, because this minister legitimized it.

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

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