

Oral Questions

exemptions on capital gains and was there none for the elderly, although this would cost a third less?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, frankly I am amazed at this kind of sophistry, coming from such a distinguished and Hon. Member.

He knows perfectly well that we are trying to boost the private sector, to which he was closely linked in the past. Several years ago, the Hon. Member was not against proposals of this kind. We are in a position to boost the private sector by means of the measures indicated in the Budget, but it is all aimed at achieving a new dimension of social justice, and first of all, social justice demands jobs. And that is what we are trying to achieve in Canada and Quebec: durable jobs for Canadians and Quebecers. That is what we are doing.

[English]

GOVERNMENT CONSULTATION PAPER

Ms. Margaret Mitchell (Vancouver East): Mr. Speaker, my question is directed to the Minister of National Health and Welfare. The Minister implied that he was fulfilling his promise to senior citizens. I would like to quote from his blue book which stated: "In the Government's view, no change is required in the Old Age Security Program". Why does the Minister now feel justified in making the seniors pay for the deficit when he promised in the book, as the Prime Minister promised before the election, that senior citizens would not bear the brunt of the deficit?

Hon. Jake Epp (Minister of National Health and Welfare): Mr. Speaker, I will go back to the point which I made to her Leader. She has been asking whether the Government was committed to the universality question. I say to her that that issue, as the three principles in the consultation paper state clearly, has not been changed. I believe she should keep in mind that the largest single cost today to the Government of Canada is the payment on the debt. She is advocating that the debt should be increased. She has never committed herself to a reduction in debt. She feels, philosophically, that it can be increased. What she is saying, by so doing, is that the debt could increase and that it would have no impact on social policy. Obviously, that is not the case.

POSITION OF ELDERLY WOMEN

Ms. Margaret Mitchell (Vancouver East): Mr. Speaker, the Minister is completely distorting the options which this Party presented to the Standing Committee on Health, Welfare and Social Affairs, and he knows it. Does he think it is fair for elderly women, who make up most of the poverty group in the country, to bear the brunt of the deficit, rather than placing a tax on the rich? We think that is where the Government should get the money to help reduce the debt.

Hon. Jake Epp (Minister of National Health and Welfare): Mr. Speaker, I am pleased that the Hon. Member supports the

Budget. In the Budget the Minister of Finance said that there would be a minimum tax as of January 1, 1986. There is also a surtax in the Budget—

Mr. Orlikow: Some day; not now.

Mr. Epp (Provencher): Mr. Speaker, now that I have their attention, they will know that that is the truth. That is what the Minister of Finance said. There is also a surtax which has been put into place. I hope, when the Bill on the spouse's allowance for widows and widowers comes before the House, that she will support it as well.

* * *

THE BUDGET

IMPACT ON PENSIONS

Mr. Roland de Corneille (Eglinton-Lawrence): Mr. Speaker, my question is directed to the Minister of National Health and Welfare. The Premiers of three maritime provinces are meeting today and tomorrow to consider how they can cope with the disastrous Budget and the impact which it will have on eastern Canada. Conservative Premier Buchanan has already condemned the deindexing of the Old Age Security and has said that it "was not only wrong politically, it was the wrong thing to do for senior citizens". Conservative Premier Miller of Ontario and the Tories in Manitoba have also condemned it. Are you going to stonewall your own provincial leaders, as well as the elderly of this country?

● (1440)

Mr. Hnatyshyn: Order. Mr. Speaker does not stonewall.

Mr. de Corneille: Or are you going to stop looking after your political necks, and start looking after the seniors by reinstating their full indexing?

Hon. Jake Epp (Minister of National Health and Welfare): Mr. Speaker, I answered this question on Friday, as well as a similar question which was asked on that day. I say to the Hon. Member that obviously Conservative Premiers, leaders, and provincial legislators can make their views known. That is their responsibility. But I say to them, and to the Hon. Member, that the Government, well before the Opposition raised it in the House, had taken this in mind. In fact I will quote again some words from the Budget; "The Government will review the adequacy of payments in light of future circumstances. It will increase them as resources permit". That has been a consistent position right from the night of the Budget.

TRANSFER PAYMENTS TO PROVINCES

Mr. Roland de Corneille (Eglinton-Lawrence): Mr. Speaker, the provincial Premiers who are meeting in the Maritimes right now are also agonizing and sick about the fact that this gruesome Budget will also soon be cutting back over \$2 billion per year on transfer payments to the provinces. This will