

Oral Questions

Mr. Trudeau: We are going to patriate with an amending formula, and we are going to have a pretty good charter. But let us do what that party has urged all along. Let us, when the Constitution comes back, write a charter in Canada, and then we will get into the job together and do the parts that are not completed.

Mr. Siddon: Let's do that!

Mr. Trudeau: Surely that was the position for the whole of last year, that we should write the charter in Canada. How can they now say, "Write it in this House of Commons, even if the provinces do not want to do this?" They have been saying the contrary to that for a year.

Some hon. Members: Hear, hear!

Miss MacDonald: You changed your position. That's not what you said the other day.

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FINANCE**DIFFERENCE BETWEEN PROGRESSIVE AND REGRESSIVE TAXES**

Mr. Jim Hawkes (Calgary West): Madam Speaker, I would like to ask the Minister of Finance a question. Could he give us some clear indication of what he and his cabinet consider to be the difference between a progressive tax and a regressive tax?

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, I think the existence of a progressive tax is obvious to everyone in the House. What I have been attempting to do is to ensure that there be some relationship between the size of a person's income and the tax burden which that person bears. What I found rather difficult to justify was that, because of the tax system, certain tax filers could entirely escape paying tax. I do not regard that to be a progressive tax system.

QUERY RESPECTING SYSTEM

Mr. Jim Hawkes (Calgary West): Madam Speaker, I am pleased to hear that that is what the finance minister feels. Social scientists in Canada judged the Clark government budget to be the most progressive in the decade of the seventies.

Some hon. Members: Oh, oh!

Mr. Hawkes: On the national accounts basis, page 73 of his supplementary document, it becomes clear to Canadians that indirect hidden taxes have doubled under his stewardship from \$100 per family to over \$200 per family per month, amounting to \$2,500 a year in hidden taxes. Poor people, middle-income people and rich people pay the same. Is that progress, or is that the king of regression who sits in that chair across the House?

Some hon. Members: Hear, hear!

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, obviously the social scientists were out of touch with Parliament—

Some hon. Members: Oh, oh!

Mr. MacEachen: —and out of touch with the Canadian people. Maybe that should give all of us something to think about—

Mr. Huntington: Let's have another election.

Mr. MacEachen: —when we begin to quote social scientists. I presume that the hon. member is an advocate of a progressive tax system, from listening to his questions. Perhaps he ought to have a conversation with one of his colleagues in that party who, earlier in the question period, condemned me and the government for making some changes to the deductibility of interest expenses. Would he believe, the way the deductibility of interest expenses has been applied in the tax system—

Mr. Huntington: Still don't understand it, Allan.

Mr. MacEachen: —has been to permit high income earners in this country to reduce their tax to zero.

Mr. Siddon: That's nonsense. Why do you tax them on money they didn't get?

Mr. MacEachen: Therefore, I ask the hon. member whether it is a progressive and fair tax system when very high income individuals can pay no taxes whatsoever, maybe for an indefinite period of time. That is what I have been attempting to remove from the tax system.

Some hon. Members: Hear, hear!

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COMMUNICATIONS**REVIEW OF BROADCASTING POLICY**

Mr. Mark Rose (Mission-Port Moody): Madam Speaker, my question is directed to the Minister of Communications, who knows that a recent Federal Communications Commission decision in the United States liberalized trans-border satellite signal delivery, and that that decision may have far reaching effects for both the Canadian TV viewers and also for Canadian business interests. The 1972 U.S.-Canada agreement, which prohibited the reception of foreign satellite signals, as the minister knows discriminated against people living in certain regions of the country where foreign American signals were not available, either off air or through microwave by cable.

I want to know when the minister intends to announce a new broadcast policy, a global one in terms of its regulation system, which will treat TV content requirements equally, regardless of what carriage options communities in northern and remote areas of Canada choose to employ.

Some hon. Members: Hear, hear!