

Oral Questions

TAX PAID BY LOW INCOME EARNERS

Mr. Nelson A. Riis (Kamloops-Shuswap): Mr. Speaker, since 1981, not many years ago, more than a million Canadians have been added to the poverty level in terms of income. Because of the Minister's Budget last year, the poor of Canada, those with incomes at the poverty line, will see an increase in tax payable next year of \$100. With more and more Canadians finding themselves at the poverty level, why on earth would the Minister increase the taxes which these people are expected to pay, making the poor people of Canada poorer at the same time as making the wealthy wealthier?

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, I would like to remind my friend that a number of the adjustments made to the 1981 Budget were made following representations by the Hon. Member's Party. Does he want me to introduce, for instance, a taxation on health benefits and dental benefits of workers, which I have maintained to benefit workers, and which represent hundreds of millions of dollars? Is that what the NDP is asking for, that we tax workers more? That is not the view of this Party. As far as the poor are concerned, I remind him that the measure before the House on which the NDP is still dragging will provide \$600 per year more to elderly citizens.

Mr. Deans: Which one are we dragging on?

Mr. Lalonde: That is only one example among many.

Mr. Deans: That is a lie; that is a lie.

Mr. Nielsen: Oh, oh!

Mr. Hnatyshyn: I heard unparliamentary language, Mr. Speaker.

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THE CANADA COUNCIL

POSITION ON BILL C-24—ROLE OF DEPUTY MINISTER

Hon. David Crombie (Rosedale): Mr. Speaker, last week the Director of the Canada Council, Mr. Tim Porteous, testified that the Deputy Minister of Communications, Mr. Rabinovitch, had instructed him that public criticism of Bill C-24 by him or his staff, or even board members of the Canada Council, would not be tolerated. When I raised the matter with the Acting Prime Minister last week he advised the House that the Deputy Minister was acting with the consent and, indeed, at the request of the Minister of Communications. Why did the Minister of Communications embark upon this policy of intimidation which has so infected the freedom of speech of the arts and cultural communities in the country?

Hon. Francis Fox (Minister of Communications): Mr. Speaker, the Hon. Member simply cannot be serious. He has asked me to comment upon the question of instructions. He alleged that instructions were given by my Deputy Minister to

the Canada Council. I have discussed it with my Deputy Minister and he has confirmed that he did not in any case give any instructions of the kind to which the Hon. Member just referred, to the Canada Council. As a matter of fact I am on the record, and another Minister is on the record, Senator Austin, to the effect that we thought the Canada Council ought to appear before the parliamentary committee.

It seems to me that we have said, time and time again on this side of the House, that we are indeed interested in seeing that the traditional arms length relationship between the Government and cultural agencies be maintained, that if for some reason or other the legislative drafting of Bill C-24 did not meet this, we very much hoped that the Canada Council and other agencies of a cultural nature would appear before a committee of the House to make their case known to Members. I very much believe that legislation, by going through this process, can indeed be improved.

On the questions of instructions, once again no instructions of the kind referred to by the Hon. Member were given by my Deputy Minister.

MINISTERIAL RESPONSIBILITY

Hon. David Crombie (Rosedale): Mr. Speaker, surely the Minister knows that the damage was already done. Indeed, Mr. Brian Anthony of the Canadian Conference of the Arts representing arts and cultural communities, said in his testimony last week:

We have certainly been led to believe that it would be inappropriate for any agency to risk its good standing and well-being at this moment by speaking out against Bill C-24.

Why is the Minister hiding behind his Deputy Minister and hanging him out to dry? Why will he not take the responsibility and dispel the atmosphere of intimidation for which he, not his Deputy Minister, is clearly responsible?

● (1430)

Hon. Francis Fox (Minister of Communications): Mr. Speaker, I am on the record, not only in this House in previous replies to questions from my hon. friend, but also in the newspapers of the land. I refer to *The Globe and Mail* where I indicated quite clearly that the Canada Council was welcome to appear before the House of Commons Committee examining Bill C-24. The proof, as they say, is in the pudding. They have done so. It was indicated in the same article in *The Globe and Mail* on the part of the official critic of the Opposition on matters of culture and communications that the only thing he could reproach this Government for, in the field of culture and communications over the past four years, was for having done too much for the cultural community.

TESTIMONY GIVEN BY COUNCIL DIRECTOR

Hon. David Crombie (Rosedale): Mr. Speaker, clearly what those of us who have been involved in the committee know, because of the testimony, is that the Minister is saying that the