

principle in social programs to be a sacred trust. His Minister of Finance said recently that social programs for the poor are a sacred trust. These are two different notions. Does the Prime Minister still regard the universality principle of social programs to be a sacred trust, and will he tell us precisely what he means by the universality principle?

**Right Hon. Brian Mulroney (Prime Minister):** Mr. Speaker, if my hon. friend is going to quote, and if the Hon. Member for Essex-Windsor is going to quote, I ask him to go back and read *Hansard* of Friday with regard to the amputation of language that took place. He ought to begin his comments today by apologizing to the Speaker of the House of Commons, and to me, because I have been consistent throughout the piece, and I will accept your apology as an Hon. Member.

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

**Mr. Mulroney:** My hon. friend from Windsor will agree with that, that there were important words that were not used in his quotation from the extraction of the statement of the Minister of Finance.

The answer to the question is that indeed we favour the concept of universality. As I indicated in a speech in April in Toronto, and on many occasions thereafter, we would like to use the tax system to introduce an element of fairness that we believe is lacking whereby—

**Ms. Copps:** Is it a sacred trust?

**Mr. Mulroney:** She has done all the damage she can do to the Liberal Party of Ontario, and she is doing it here now.

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

**Mr. Mulroney:** We plan to examine the possibility of using the tax system to introduce a greater notion of fairness for those in our society who need help without doing violence to the principle of universality.

#### TAX STATUS OF BENEFITS

**Hon. Edward Broadbent (Oshawa):** Mr. Speaker, we still have not got it clarified. As the Prime Minister knows, for decades Canadians have taken it for granted that if they pay—rich, poor, middle income persons and families alike—either through the tax system or through other means, into pension plans, medicare and family allowances, they would all get those benefits back, none of which would have a specific tax levied upon them. They were counted for taxable income but they did not have a specific tax levied on the benefit. That is what makes them a universal principle. That is what we in this Party defend. That is what the people of Canada want. Is the Prime Minister proposing to introduce, for the first time, a specific tax on a particular social benefit program which, if he does, will undermine the universality principle?

**Right Hon. Brian Mulroney (Prime Minister):** Mr. Speaker, we are prepared to examine various possibilities to try to

get more money into the hands of those who need it. For example, the question was asked by Ms. Frum: "Will you be prepared to tax upper income Canadians to get more money into the system?" The Member for Vancouver East said: "We would be prepared to tax them and tax back their old age pensions as well." There is the policy of the Hon. Member for Vancouver East. We are opposed to that. That is what is wrong with the NDP.

● (1430)

#### NEW DEMOCRATIC PARTY POSITION

**Hon. Edward Broadbent (Oshawa):** Mr. Speaker, the Prime Minister knows that this Party has for years been prepared to include all sources of income as taxable benefits. We stand by that. We do not say one thing during an election campaign and another thing after we are elected to the House of Commons.

Considering that the Prime Minister's proposal—and it is clear that he is going to act on it—is in essence to levy a special tax on particular social programs, to ghettoize Canadians and to create two classes of Canadians when it comes to social programs, will the Prime Minister change his position and maintain the universality principle for Canadians?

**Right Hon. Brian Mulroney (Prime Minister):** Mr. Speaker, I will tell the Hon. Member that we will protect the integrity of universal programs against the rapacious tax attitudes of the NDP as articulated by the Hon. Member for Vancouver East. We want to treat people fairly, and we are going to keep the taxman away from those who are in need the most.

#### POSITION OF MINISTER OF NATIONAL HEALTH AND WELFARE

**Hon. Lloyd Axworthy (Winnipeg-Fort Garry):** Mr. Speaker, I—

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

**Mr. Speaker:** Perhaps Hon. Members would at least allow the Chair to hear the question.

**Mr. Axworthy:** Mr. Speaker, the point of my question is not to find out what the Hon. Member for Vancouver East or members of the NDP believe. We want to know what the Government intends to do, because it will be making the decision.

My question is directed to the Prime Minister and goes back to an answer he gave to the Leader of the Official Opposition. He said that he does not intend in any way to reduce or change the benefits that will go to senior citizens or families. If that is the case, how does he explain the statement made on the weekend by the Minister of National Health and Welfare who said that his priority is to change those programs and in fact to develop a cut-off point through the tax system that would reduce the benefits for parents and the elderly? How does he reconcile those two statements? Is he going to repudiate the Minister of Health and Welfare?