

Oral Questions

My question is the following. Why has the Government systematically failed to address the Canadian housing problem? Why did it cut back funding to the CMHC from 1984 to 1987? Is it because people too busy seeking housing for their children are not vocal enough?

When will the Government make it a priority to provide access to adequate housing for all Canadians?

Hon. Stewart McInnes (Minister of Public Works): Mr. Speaker, I might note, as I have indicated several times in the past few weeks, that the total amount of the budget, \$1.6 billion, is now directed toward those most in need.

In co-operation with the provinces, we have been able to help 40 per cent more of those who come within this particular core area, compared to the previous Government.

[Translation]

ESTABLISHMENT OF SECOND TIER HOUSING PROGRAM—
GOVERNMENT POSITION

Mrs. Lucie Pépin (Outremont): Mr. Speaker, my supplementary is directed to the same Minister. Last week, the Minister of national Health and Welfare and the Minister responsible for the status of women allocated funds to create short-term shelters for battered wives. Considering the serious housing problem, would the Conservative Government be prepared to set up a program for second-stage housing for battered wives who have left their husbands and are looking for a place to live with their children?

[English]

Hon. Stewart McInnes (Minister of Public Works): Mr. Speaker, first, by way of general reply, I might indicate that last Friday I spoke to the Canadian Co-operative Housing Association and indicated that we were changing our policy to accommodate 50 per cent of people in co-ops who receive a rent supplement.

Second, with respect to battered women, as a result of the Government's initiative and the \$40 million announced last week, \$22 million going to CMHC, 25,000 people who fall into this particular category will receive help.

We will monitor the progress of this program over the next four years, and that will dictate what else might have to be done.

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REVENUE CANADA

RELOCATION OF WORKERS—TAX TREATMENT OF
COUNSELLING FEES

Mr. Simon de Jong (Regina East): Mr. Speaker, my question is directed to the Minister of National Revenue. A recent Revenue Canada interpretation bulletin states that fees paid by an employer to a consultant to provide counselling to

employees who retire or who are discharged will be treated as a taxable benefit.

Given the promise that the Prime Minister has made that workers dislocated by the trade agreement will receive assistance in relocating, does this new Revenue Canada policy mean that this promised assistance will now be considered as a taxable benefit?

Hon. Elmer M. MacKay (Minister of National Revenue): Mr. Speaker, to my knowledge, traditionally funds paid to assist people in retraining have been taxable income. If there is some variation, I will be glad to report to my hon. friend.

It seems to me that counselling services *per se*, unless they can be linked to the pursuit of income, would not be taxable, but I will have to check and see exactly what are the implications.

MEANING OF INTERPRETATION BULLETIN

Mr. Simon de Jong (Regina East): Mr. Speaker, my supplementary question is directed to the same Minister. My understanding is that in the interpretation bulletin only if a company hires outside consultants will it be deemed a taxable benefit, and not if it is done in-house. That again is a difference in department policy.

Does this not discriminate against outside consultants whether they are financial consultants or career consultants? Does this mean that if the Government of Canada through Manpower provides consultation to those workers who will be dislocated that that service will be considered as a taxable expense?

Hon. Elmer M. MacKay (Minister of National Revenue): Mr. Speaker, what is considered a taxable expense, or what is considered as income can be, as my friend knows, a very subjective thing.

I will have to check. I undertake to him to check and give a more informed answer at the earliest opportunity.

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TRADE

CANADA-UNITED STATES FREE TRADE AGREEMENT—WATER
RESOURCES

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, in the absence of the Minister for International Trade, my question is directed to the Deputy Prime Minister.

Considering the importance of water as a natural resource, why is water not excluded from the trade deal with the United States as it is in relation to beer, unprocessed fish, and lumber?

Can we have an answer to that, Mr. Speaker?