

*The Budget*

We all know that when spending cuts are introduced more pressure is put on the provincial treasuries. Consequently provincial taxes are raised. For the federal government to say that there are no new taxes or tax increases is misleading at the very least.

The government's fiscal and monetary policies as outlined in the last two budgets have done absolutely nothing to get the economy working again. Despite the introduction of regressive taxes and spending cuts that we have witnessed since the government took office, we still have a \$31 billion yearly deficit.

In conclusion, I feel the government should just admit that its so-called fiscally responsible policies have failed and it is time for Canadians to call for an election.

• (1550)

**Mr. Réginald Bélair (Cochrane—Superior):** Mr. Speaker, I also enjoyed the opportunity to present my views on this year's budget. This is a budget without a human face. It is also a caretaker budget in the sense that it does not help nor hinder anybody.

We were not impressed by the finance minister's budget at all. There is no provision to help the 1.5 million Canadians who are out of work and the 2 million Canadians who are on welfare.

This is the eighth budget since the Conservatives took power in 1984. It strangely resembles the 1990-91 budget in that it does not provide any incentive to stimulate economic growth. The Minister of Finance is gambling that the economy will improve on its own. This is exactly what his predecessor did in 1991. I fail to understand the Tory logic. They created a recession with their high interest rate and high dollar policy. There are 1.5 million Canadians out of work, yet there is nothing in this budget to help the unemployed and bring Canada out of the recession.

I find it incredible that the Minister of Finance is predicting that unemployment will remain at 10.1 per cent in 1992, and drop to 9.5 per cent in 1993. The actual figure for unemployment is at 10.6 per cent. The minister admits these figures are high and he does nothing to address the issue. How high do the figures have to go before the minister takes action?

The student assistance plan will undergo some changes. From now on the Government of Canada

would like the banks to assume some involvement as far as loans to students who wish to pursue post-secondary education are concerned.

The finance minister is currently dealing with the banks to try to negotiate a reasonable service fee for the student loans. I wish him success. Now that the banks will be taking the risks on those loans, the already financially burdened parents will have to co-sign for the loan. These are tough times for students and parents alike as prospects for jobs are very dim.

This government will be eliminating the present family allowance program in December 1992 and will replace it with the child benefit program which should benefit low income families. This is a good point of the budget. It sounds good, yet some 700,000 women will not receive their family allowance cheques any more and most middle income families will not qualify.

Since 1984 the government has increased income taxes on 33 different occasions. In this budget the government has now indicated that personal income tax will decrease by 1 per cent. What a fiscal break. Canadians should be made aware that this 1 per cent translates into \$44 on their tax return if they earn between \$30,000 and \$40,000 and a measly \$4 if they earn \$15,000 or less. If the finance minister were sincere in his desire to assist Canadians, how could he for one minute think this 1 per cent decrease in personal income tax would help? If he had been sincere he would have lowered the infamous GST.

The budget has other hidden surprises for those who look a little closer at it. The loss of the \$100,000 lifetime capital gains exemption could be a deterrent to anyone thinking of buying a second residence or a rental property in the future. Until this budget, all profits made on the sale of real estate, other than the principal residence which is exempt, had been tax-free up to \$100,000. Now real estate will be liable to 70 per cent tax on profits from selling that property. So much for the little guy who tries to better himself.

The home buyers plan will only benefit those who have funds readily accessible in RRSPs. If the RRSP is locked in for two years or more, or if it automatically locks in at a specific date that does not coincide with your home purchase, the bank will not release the funds and the home buyer will not be able to take advantage of the plan.