

On the other hand these people are not paying taxes. When people are unemployed they are not going to be paying taxes to the federal or provincial government. This is another reason we have a debt and a deficit problem in this country. It is because the government has driven hundreds of thousands of people onto the unemployment rolls with the misery that comes along with it. Its high interest rate policy and the GST have slowed down our economy. The debt and deficit problems have been created mainly by the Conservative Party that sits across the way.

The last reason we have debt and deficit problems in this country is because we have an unfair tax system. Our tax system is putting more and more of the burden on the middle and lower income people in Canada and reducing the tax burden for the wealthy. We should have serious tax reform where the tax loopholes are plugged and the \$100,000 exemption for capital gains is eliminated except for people's residences and farms.

There is no reason that someone who makes \$50,000 or \$60,000 in the stock market should get a tax exemption for that capital gain. If we were to plug some of those loopholes the rich would pay their fair share and we would not have a debt and a deficit problem like we have today.

These are the facts which are being faced daily by the people of this country.

Mr. McDermid: Aren't you paying enough income tax?

Mr. Nystrom: We have a story in the press today that says that family incomes have now dropped to 1976 levels. We are now going back to the past. It is back to the past. Average incomes are dropping year after year. It is now 1993 and we have income levels that are back at the rate of 1976. I say that is a disgrace. That is why the chief government Whip had the courage in Calgary to say that this budget by the federal government is nothing but a disgrace.

• (1130)

I encourage members of the House of Commons to stand up and vote overwhelmingly in favour of the chief government Whip's stand that this government is a disgrace.

Supply

Now what do we do? We have a tremendous human deficit as well. People are suffering because of the policies of the government across the way. We have people on welfare, people unemployed, people suffering emotional nervous breakdowns, children who are hungry, people living in poverty and people lined up at food banks. That is the legacy of the Conservative Party. That is the human deficit out there today. There is no vision, no direction and no dream about what this country could be in the budget presented by the Minister of Finance.

We need a government that will lay before the people a jobs plan to put people back to work. That has not been done. Instead we have been going in the opposite direction. In the budget the government is cutting back by \$500 million a year, money going out from the federal government for regional development to places like Newfoundland and the Gaspésie. "Why cut back on regional development", asked the member for Calgary South.

Why does the Prime Minister, for example, not cancel his farewell tour of the world which is going to cost about \$1 million of taxpayers' money to go and visit his friends in Paris, Moscow and London in a week or two? Why this extravagant spending by the government on a farewell tour by the Prime Minister? I remember a few weeks ago he jetted down to California to say goodbye to Ronald Reagan, Uncle Ronnie. He then went over to Dallas to try to see George Bush before flying on to Florida.

These are the things that cost money. They are not the kinds of examples we should be giving to the Canadian people: on one hand, extravagant spending by the government and the Prime Minister on his farewell tour and, on the other hand, saying to the people in Newfoundland and the Gaspésie: "We are going to cut back by \$500 million in regional development because the government is broke".

It is a question of priorities. It is the same thing when it comes to farmers. There was a unilateral announcement in the budget that farmers will have another cutback in the Crop benefit of some 10 per cent in the next fiscal year unless they agree to change the method of payment. That is blackmail, that is bribery and if the farmers do not agree they will lose another \$72 million next year. I