Borrowing Authority

I was saying that there are three arguments that I want to make in favour of this important principle of universality, which has become imbedded as part of our Canadian tradition. First, the very nature of universality brings people together instead of driving them apart. Society is already excessively divided in terms of income and regions. This produces tension, not co-operation. Sharing in a common program, not provided by government but provided by themselves as a community through the instrument of government, is a very important way of creating a co-operative sense of community in society.

There are two negative aspects of the question that I would like to address as well. I plead with the Minister of National Health and Welfare to consider this very seriously before legislation is brought in to change the principle of universality. For social programs to continue to have the primary financial benefit that they are intended to have in terms of finances for the poor, they need to have as active participants and recipients middle-income Canadians.

In a society that is governed by the majority, in order to maintain support programs for the poor, the majority must be seen to be beneficiaries in some way of those programs. That is absolutely crucial. If the majority begin to sense that they are being left out, that they are being set aside, they will not continue the strong support that has been built up over past decades for these programs.

I cannot emphasize too much the importance of this. If we begin to take these benefits away from middle-income Canadians, we begin to undermine these programs so essential in dollar terms to the poor. I want to say in passing that this does not assume that the majority of people are selfish. It merely assumes that the majority of human beings in any society are not altruistic, that they are not by nature in their ongoing disposition charitable. It is very important to understand that. Men and women are prepared to do their share, to make their contribution to the common good on a continuing basis if they see themselves as at least getting some benefit from those programs.

The third point I want to make is certainly related to this. If we break up the universal nature of these programs, we begin to ghettoize society. We begin to create within our different programs a two class system, the recipients and others who finance the programs. I regret, as I am sure all Members of this House do, that when you go into a community some Canadians talk about recipients of welfare in quite a pejorative way. There is an unfortunately negative regard for many people who receive welfare even though we well know that 99 per cent of the welfare recipients totally deserve it and totally wish they did not have to get it.

My concern is very much that if we begin to cut out middle-income Canadians, we will ghettoize more and more Canadians in terms of their perception of membership in their communities. Side by side we will have two ordinary working people, one of whose income may be marginally greater than the other, and one will get the benefit of the social progams and the other will not. Inevitably that will tend to create among those who are paying for the program but not getting

any benefit—not the rich but just the middle income people—a sense of resentment toward those who do receive it.

I say to the Minister that we do not want to create more tensions in society. We do not want to create more ghettoes. We want to build a greater sense of community and a greater sense of co-operation. That is why we need these universal programs.

I want to conclude with this and perhaps be a little more partisan than I have been up to this point. In the debates in the House this week, the Prime Minister and indeed his Ministers have created a spurious straw man form of argument. They said that if we are against what they are doing as a Government, we are not in favour of assisting the poor. They said that all they are doing is aimed exclusively at the objective of getting more revenue to help those in society who need it most.

The Prime Minister does not need to lecture those on this side of the House, in particular the Members of my Party who have been fighting for the poor and the better distribution of income all their political lives. The beginning assumption is that the Government needs more revenue. I agree we need more revenue if we are going to do more for the pensioners, those in poverty and the unemployed whose benefits are running out, as well as the handicapped who need the assistance of those of us who can afford to pay. But there is another option. We do not have to destroy social programs of earlier generations which all parties worked to build up. We do not need to put asunder all this useful construction in modern Canadian history. We can look at all those in society who can now afford to pay more in terms of income tax.

I say to the Minister that there are two options. More revenue can be generated by destroying the principle of universality and allocating that exclusively to the poor. I have already argued against that approach. There are many Canadian men and women who have a lot of money, in excess of any sense of equity of what they should have if we had a fair tax system.

If the Minister wants more revenue now, he should look at the change in the tax system introduced in 1981 by the then Liberal Minister of Finance, Mr. MacEachen. He reduced the marginal tax rate of the rich, as the Minister well knows. By bringing in that reduction in the marginal tax rate of the rich, he lost \$1.7 billion of revenue to the treasury. If the Minister wants more money, I can tell him where to get \$1.7 billion. Just re-establish the tax rate that the rich used to pay and should be paying now.

Second, the Prime Minister, in that all too charming way we have grown accustomed to in debate, said when talking about a minimum tax that the rich should pay and pay handsomely. This is not a glib debating point for me. Everyone else in this country pays a lot in taxes. They work hard. Men and women, farmers, auto workers, cab drivers, work hard and pay plenty of taxes. I find it offensive that there are still thousands earning over \$50,000 a year who do not pay any taxes because our system of taxation, which is riddled with loopholes, makes that possible.