

*Government Orders*

One of the things that I think bothers us over here is the whole global view. First of all, there will be people who will lose all or part of their old age security, not based on real income but based on a financial decision taken with a false premise because there is a grossed up amount in there which is totally unfair. The minister took away the first \$1,000 worth of taxable income from investments. That is another attack. Now the minister takes away old age security cheques and wants to claw them back. I think that there is gall on the part of the Minister of Finance, and the people should rise up and complain steadily about what is going on.

The danger is that once you start tinkering with and undermining the principle of universality, you put everything into question. Who decides who gets what benefits? Where do you draw the line? Who decides which Canadians deserve more help than others? It is time for all Canadians to write to their Members of Parliament, particularly those on the government side, deposit those petitions, make them stand up, and make them talk to the issue that is of great concern to many Canadians. This debate, more than any other debate, has crystalized the difference of opinion over the future direction of Canada and people are not pleased.

**Mr. Robert E. Skelly (Comox—Alberni):** Madam Speaker, I was holding back a little bit, hoping that some of my Conservative colleagues across the way who prefer to debate from their seats might stand up and provide some kind of defence for this program, but it seems that some Tory members feel that their only job in this House is to occupy a seat and when it comes time for a vote, to vote for whatever the government puts forward, rather than to express any kind of commitment, concern, or support for a particular program. Even if they are opposed to the program, they sit on their duffs, keep their mouths shut, and provide the 150 votes that are necessary for the government to ram it down the throats of the rest of Canadians. That is unfortunate.

When we are debating an issue like this, those who take some pleasure in sitting over there and shooting from their seats really have a right to do that, unless they show a little commitment to what the government is doing by standing up and providing some defence for a program. In this case the program is absolutely indefensible, especially given the promise that was quoted over

and over again by my colleagues, the promise made by the Prime Minister. "Our position is simple and straightforward. We are in favour of universality of social programs and they shall not be touched". Somebody has not been telling the truth to somebody and these Conservatives on the other side should be standing up and making the confession.

This program is a direct attack on universality. It is not the only attack that has come from this government, unfortunately. Universal programs in this country have traditionally been supported by two pillars of federal policy. The one pillar is the progressive income tax system that makes sure that those who are favoured by this country, those who are favoured in terms of wealth and those who are favoured in terms of income, pay at least their share and then some, and are recognized for the amount of contributions they make and rewarded for these contributions. The progressive income tax system is an important pillar of the universality concept that we have used in this country for a long, long time.

The other pillar of the universal social programs are the programs themselves, the family allowance system and the Old Age Security system. This government has now begun to attack those two pillars of universality from both sides. First, they attacked from the side of the tax system. By reducing the effective tax rate on those who are earning the highest incomes in this country, they have made that tax system much less progressive.

Certain types of incomes which are only earned by the wealthy in this country, incomes such as dividends and capital gains that are skewed predominantly toward the wealthy and the high-income earner end of the tax scale are less heavily taxed than other types of income, for example, hourly salaries and the types of income that are earned by the poor and the middle-class. The rich and the high-income people in this country are being favoured by changes brought about in the tax system that have reduced its progressivity.

At the same time, this government has gone heavily into other areas of taxation that are the most regressive. For example, the one we are debating these days is the goods and services tax, which bears more harshly on the poor and lower-income people than it does on the wealthy who can afford to pay a high price for the things