

government's \$600 million tax break on private trust funds.

Will the Minister of Finance explain why he wore new soles on budget day but presented an indecent proposal that caters only to the well-heeled?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, while I note on an ongoing basis that members opposite do not rule out the possibility of tax increases to fund their grandiose schemes and policies, we are of the opinion that in order to deal with the deficit we must rearrange our priorities and reallocate spending in those particular areas that will provide productive investment, that will generate wealth and generate jobs, and that is precisely what we are doing.

We have tried and we continue to try to reduce the burden on the taxpayer.

• (1425)

When the Minister for International Trade was the Minister of Finance he brought forward tax reform proposals that provided for some 850,000 low income Canadians being removed from the tax rolls, 250,000 of whom were seniors. A further nine out of ten Canadians aged 65 and over saw their federal tax reduced. That is clear evidence of the commitment we have made to seniors and those on lower incomes.

Ms. Albina Guarnieri (Mississauga East): Mr. Speaker, the minister just does not get it. Canadians are tired of being forced to play the crying game with this government.

According to the national forum on family security, after nine long years of Tory torture the only thing that has trickled down are the incomes of the middle class.

[Translation]

After nine years of an oppressive Conservative government, there is no hope and no future for the middle class and the next generation.

Middle class families are confronted with a Conservative regime that has done nothing in terms of employment for Canadians. I ask the Minister of Finance why he does not consider middle class Canadians as a priority on the government's agenda. Why does the minister take pleasure in creating a modern version of *Les Misérables*?

Oral Questions

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I am pleased to answer my hon. friend's question. The premise was totally false and the facts used are confusing to say the least.

I would draw my friend's attention to a recent study published by the University of Chicago, which I will quote for her.

[English]

Mr. Marchi: Not that again.

Mr. Mulroney: My hon. friend says: "Not that again". It is an analysis that might interest my hon. friend inasmuch as it responds to her question.

It states: "Canada spends two to three times as much per person as the United States on programs such as welfare and unemployment insurance. By leaning against the wind Canada has managed to lower poverty rates during the decade when slow economic growth and structural economic change has made it exceedingly difficult. If the United States had adopted Canada's welfare policies during the last decade it would have avoided the trend of rising child poverty that Canada has managed to avoid so successfully".

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HEALTH CARE

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, on behalf of my colleagues I want to join with the others in saying how delighted we were this morning when we heard that the premier of Quebec had made such great progress in his fight against cancer.

Some hon. members: Hear, hear.

Mr. Riis: Mr. Speaker, universal health care in Canada is a sacred trust. My question for the Prime Minister this afternoon is based on the C.D. Howe Institute report which says that the federal government should abandon its role in medicare and let the provinces dictate the health care services they provide.

Does the Prime Minister not agree that when his government took office in 1984 the federal government was funding 43 per cent of health care and that by the end of this decade it will be reduced to less than 23 per cent of health care?