

The Budget

every Canadian has to pay more in taxes. Every Canadian has to shoulder a greater burden because people have been thrown out of work and have to receive unemployment insurance or welfare instead of paying taxes to the community.

As we look across this country, the realities of 1992 are not much different from the realities a year ago, except that they are worse. A year ago this government said we had a budget in front of us that would give us recovery. This budget promises us recovery.

The Minister of Finance said back in October that the economy was starting to boom. The Minister of Finance has said that he regrets those words, he overstated himself. He should, because we are not in a boom; we are not in a recovery. We in fact are facing the worst, the most prolonged economic downturn as far as our manufacturing sector and our farming sectors are concerned that we have experienced in this country since the great depression of the 1930s.

When you get that long a period of unemployment you do not just have people out of work. We have found in the statistics that have come out in the past few months, increasing inequalities in our country, increasing poverty. We have found that we are exporting less, that our trade position is worse than it has ever been before. We found bankruptcies at record heights. We had more bankruptcies last year than this country has ever seen in a single year before.

I could go on and list the great set of disastrous economic circumstances which are in front of us as a country. I do not want to suggest doom and gloom as the only reality. There are many Canadians who have ideas, who have hopes, who have suggestions. We heard from them across the country. We heard too their sense of anger that this government had not taken action to put this economy back into recovery, had not put people back to work.

[Translation]

The budget contains an impressive list of cuts, changes and modifications of all kinds to government programs and agencies. Some taxes on corporations and on individuals were changed. The Minister of Finance wanted to give the impression that he is a man of action and that he knows how to take charge of the situation. But this budget contains nothing to get the economy out of its slump and to put people to work.

• (1610)

Like the Liberal Party at the end of its mandate, this government is drained, unable to present a creative budget. This government keeps repeating the same refrain about cutting the deficit. If it had abolished the capital gains lifetime exemption as suggested in the New Democratic Party's budget proposals, the Conservative government would have recovered \$2 billion. Sixty per cent of those who benefit from this exemption earn over \$100,000.

[English]

We are talking about a loophole in the case of the capital gains exemption which benefits only .4 per cent of the taxpayers of this country. Less than half of 1 per cent receive 60 per cent of the tax breaks from that tax loophole. If we had eliminated that tax loophole we would have gained \$2 billion that we could have used to put people back to work; that we could have used to reduce the GST and get rid of it for certain sectors of the economy; that we could have used to do something about improving the infrastructure in our municipalities; that we could have used to establish a child care program such as this government today has just abandoned.

We do not have a set of strong actions against the loopholes for the rich that remain in our tax system. Instead we have a series of tax changes which in the first place are very small. The tax changes which took place in this budget were about half of the total amount of tax increases this government put in on January 1, in terms of increased UI premiums that individuals and companies had to pay.

With one hand it gave people about \$1 billion extra and then a month and a half ago it took away from people almost \$2 billion in UI premiums. So much for tax decreases from this government.

In the second place, those tax decreases that were provided were far more beneficial for people who were rich than for people who were poor. For every dollar that went in tax breaks to an individual making \$30,000 per year, the average wage that an industrial worker in Windsor would get, people who are wealthy in this country making \$100,000 a year received six dollars. Six dollars for every dollar that went to the average person.

That is not fairness or social justice. That is the same old Conservative philosophy which has led in this country in the past seven and one-half years to increased taxes for the average family and decreased taxes for the