

Government Orders

forensic auditing techniques to address this most serious problem.

In regard to RRSPs, contribution limits should be set at levels that will allow all Canadians who are not members of pension plans to adequately provide for their retirement income. These levels should be comparable to those afforded to members of registered pension plans.

With regard to the \$100,000 lifetime capital gains exemption, it has not met its objectives of stimulating investment in Canada. The exemption should be discontinued and the savings be reinvested in job creation initiatives.

Old age security for our seniors should not be affected by this budget. The present tax law already claws back a portion of the benefit where the taxpayer has other income. The Prime Minister told seniors during the election campaign that old age security was a dividend, recognizing their lifetime of contribution as taxpayers and we should honour that position.

The rising level of foreign-owned debt is draining capital out of Canada. As such, consideration should be given to incentives for Canadians to invest in our country, such as tax exempt bonds.

On unemployment insurance, benefits should be paid only to those Canadians who are unemployed and looking for work.

• (1530)

The current practice of paying benefits where there is only a disruption of earnings should be reviewed and a threshold of earnings should be considered as a basis for increasing the rate of clawback on these social benefits.

On immigration, the federal government must enforce its immigration sponsorship agreements where the sponsor is able to meet their obligation. In 1993 the region of Peel alone had some 11,000 welfare claims from immigrants who were already covered by a sponsorship agreement. Thirty-eight per cent of those agreements broke down in the first year, rising to 62 per cent before the end of the second year of the 10-year sponsorship. In addition, 59 per cent of those sponsors were children sponsoring their families. In a large number of cases they did not have the financial ability to do so.

The rise in defaults has been dramatic and the burden is falling squarely on the shoulders of the Canadian taxpayer. Fiscal responsibility requires that we must address this situation.

On health care, the federal government contributes 24 per cent of the cost through transfer payments to the provinces and, as such, should ensure that the funds are being appropriately spent. However, Ontario has over two million unauthorized

health cards in circulation, costing that province as much as \$900 million per year in fraudulent claims.

Although this is under provincial jurisdiction, there is only one taxpayer and this type of savings opportunity cannot be ignored.

With regard to economic growth, new partnerships must be built with the business sector which will be responsible for the creation of 85 per cent of all new jobs. That means that the government must provide meaningful incentives, such as job creation tax credits, training subsidies, UIC premium exemptions and wage subsidies as its partnership contribution.

We must also provide a supportive environment by streamlining government services and creating one stop shopping for those services, especially as it relates to small and medium sized businesses and to export opportunities.

In conclusion, the pursuit of economic growth coupled with sound financial management and wise investing will allow us to deal effectively with the challenges before us. To quote from the government red book, a strong economy is the essence of a strong society and therefore jobs and economic growth must be our top objectives.

Political credibility requires fiscal responsibility. The people of Canada have given this government the mandate to make the tough decisions necessary to restore our economic strength and to create opportunity, hope and jobs for all.

Canadians also understand that all who are able will be called upon to contribute their fair share. We need a tough but fair budget. We need it now for the long term benefit of all Canadians.

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, I would like to congratulate the member for Mississauga South on his first speech in this House. He made some extremely good points.

However, I would like to ask him a few questions on tax policy. He mentioned at the beginning of his remarks that he felt that there should be no new taxes. I certainly concur that the middle class and individuals are just totally overburdened on taxes. He concluded his speech by talking about fairness.

I would like to ask the member for Mississauga South if his comments at the beginning of his remarks would include the fact that there should be no consideration in this budget of taxing those profitable corporations that now pay no tax. Last year the Auditor General told us that there are millions of dollars in uncollected taxes because of the provision for profits to be put offshore and therefore not taxed in Canada. We know that the family trusts, where the rich can shelter their money, are not taxed.