

The Budget—Mr. de Jong

turn in on themselves. Hungry children are exhausted and have circles under their eyes.

There is nothing in the Budget that would help alleviate that problem. In fact, those families were given a further kick by the Government when it increased taxes on snack food and extended the reach of the federal sales tax. It means another \$60 to \$100 taken from their pockets. The Government says it is aware of the difficulties of the poor at the same time as it increases sales taxes. The Government says it introduced the sales tax credit giving \$150 back to the family earning \$15,000 or less a year. Yet the Budget of the Minister of Finance this year took approximately half of that away again.

There is nothing in the Budget that will do anything about the high unemployment we have in this country. We have one of the highest rates of unemployment among industrialized countries. Those people are the victims of past government actions. Remember the 1970s when inflation was rampant? That inflation was bred by the greed of the oil industry and many other corporations around the world. We were caught in this cycle of ever-increasing inflation. Governments decided to wrestle inflation to the ground, and well they should have. High inflation does no one any good. However, the method they used, tight monetary policy, threw millions of workers around the world in industrialized nations on the unemployment rolls. All at once millions of men and women lost their jobs. So it was in Canada. Thousands of workers with meaningful employment and income were thrown all at once on the unemployed heap. Many of them have been unable to get back into the workforce, not because they are lazy or lacking motivation, but simply that the economic policies decided upon by Government meant there were no jobs for them. Those who have remained unemployed can no longer collect unemployment insurance and have moved down to the welfare rolls. There they have remained.

In addition, governments in this country, especially Conservative Governments at the provincial and federal level, have continued to kick them. The Conservative Government of Saskatchewan has steadfastly refused to increase welfare allotments to keep pace with inflation. Before that Government was elected, welfare recipients were receiving approximately 70 per cent of the amount considered to be the poverty line. A single person now collecting social assistance in Saskatchewan gets only 40 per cent of that amount. They have as well been hit by taxes from the federal Conservative Government. When we look at our income tax form for last year we see that \$1,400 was the point at which a person started paying income tax. The level is now so low that the taxable income starts at \$10.

So we can see that the victims of the economic policies which were pursued in the 1970s to wrestle inflation to the ground are still with us. They are still suffering, and more today than they ever did before. That is why we have hunger on the streets of Regina today. In fact, it is not just in Regina, it is in every major metropolitan centre across this country. There are kids going hungry. There are kids whose opportunity

to learn is being affected because of forces beyond their control. There is nothing in this Budget and nothing the Government has done that would indicate it has any awareness of the problems and realities which exist on the streets of the cities of this country. It turns a blind eye and is in fact quite willing to kick these people some more and squeeze an extra \$60 out of their hides. This is certainly not a Government of compassion.

The Budget does nothing to begin to address the question of fairness in our tax system. Let us examine the record since 1984 when the Government was elected. There has been a 48 per cent increase in the amount of money collected from personal income taxes, totalling \$43.3 billion. In the same period, 1984-1986, the tax increase for corporations was only 4.3 per cent or some \$10 billion. Federal sales and excise taxes have risen some 62 per cent to \$22.83 billion. I would like to put on the record a comment by Bob Couchman, Executive Director of the Family Services Association of Canada and Director of the Vanier Institute of the Family. He says he is extremely concerned over what this means to his clients. If you are hitting people at the lower end of the spectrum you are talking about taking food off the tables and clothing off the backs of these children.

We have also seen that corporations in this country have not been paying their fair share. In 1983, 79,196 corporations paid no taxes on total profits of \$13.3 billion. That is \$13.3 billion of profits which did not produce one cent of tax for the public treasury. In 1983, 64 corporations with profits of over \$25 million paid no taxes. Is it fair that an old age pensioner living in Vancouver receiving \$9,312 per year from Old Age Security and Canada Pension has less than \$1,000 a month to pay for the basic necessities of life; food, rent and clothing, and still pays tax? As an example, Scott Paper, with profits of over \$25 million in 1982, 1983, and 1984, did not pay one cent of tax.

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Is it fair that a family of four living in Regina, Saskatchewan, at around the poverty level pays about \$2,364 in income taxes per year while TransCanada PipeLine, which made over \$256 million in profits in 1980-81, did not pay one cent of tax? Is it fair that a single parent trying to support two children living at the poverty level pays income tax to the federal Government? In fact, in 1985 they would have paid \$775 in federal taxes and for 1986 that same family will pay \$875 in income taxes. At the same time, in 1980 on profits of \$23.7 million and in 1981 on profits of \$29 million, for a total of \$52.7 million, Union Gas did not pay one cent of tax.

Is it fair that a teller at the Royal Bank of Canada in 1982 paid more in taxes in actual dollars and cents than the Royal Bank of Canada paid, even though in 1982 the Royal Bank of Canada had pretax profits of over \$330 million? In fact, in 1982 the Royal Bank got a tax credit of \$28 million. The Government actually gave it back \$28 million. That is not fair.

There is nothing in this Budget which begins to address the question of fairness in our tax system. We have a tax system in