

would add to the quality of life and provide employment. When the Government is cutting back on activity in this area, there is no way that it would be in a position to recognize the needs of people in the core areas of our cities.

Also the Government had the gall to cut back on employment funds. The cuts in the Budget aimed at employment amount to \$1.78 billion. The Government promised jobs, jobs, jobs. On a daily basis it stands in the House and claims credit for the creation of employment. At a time when there are well over a million people unemployed—and the long-term projections indicate that unemployment will remain high—how can the Government cut back on employment creation efforts? Our young people are in desperate need of jobs. Yet this Budget has the impact of continuing to deny young people the opportunity to contribute to society by cutting back in the area of employment. It is ironic that a Government which claims concern about our young people has done away with the Department which had the responsibility for taking action in this area.

● (1730)

The Government has cut in other areas as well. It cut \$502 million from agriculture. For most people in urban ridings, that may not sound very relevant, but a good portion of our economy is tied up in the agricultural sector. People in agriculture need the assistance of their federal Government in order to be able to keep their farms going in order to produce the food which we all need. So this cut-back is going to hurt the agricultural industry and our farm families.

The Government has also cut back in the area of health and welfare to the extent of 4.82 billion. That is an enormous sum of money. At the same time, we have heard over the last few weeks reports by Canadians on the need for day care. It is time we recognized that day care must be made available to all Canadian families. It is time we recognized that our present system, which only allows the poorest in our society to receive a subsidy, is inadequate. It is time we altered that system and made day care available to all families on the basis that it is a service to which all Canadians are entitled. Since increasing numbers of families have both parents working, it is necessary that we provide for adequate service for the children. We must invest in our children so they can turn out to be the kind of responsible adults we all expect them to be. But how can we take any initiative in this area? How can we respond to appeals for more action in the area of day care when the Government is cutting back on expenditures in the health and welfare area?

The Government has also cut back on the transport area. That is quite ironic because when the Conservatives ran for office, they made it clear that they were going to re-establish certain rail passenger lines which VIA, under the Liberal Government, had cut back. This Government now, after having re-established some of those lines, is in the process of cutting back in that same area. Members of the Conservative Party used this concern as part of their election platform, but now they are in office they themselves have begun the process

### *The Budget—Mr. Keeper*

which will undermine the passenger rail service. The Government has cut back transport by \$3.61 billion. It has not only moved to raise taxes on ordinary Canadians but it has also cut back on essential services in regional industrial expansion, employment, agriculture, health and welfare and transport.

The Conservatives do not seem to recognize the unfairness of the tax system. I would like to illustrate that briefly. As a result of this Budget, individual taxes will increase almost four times faster than corporate taxes in 1986. That is, individual taxes will rise by \$1.1 billion while corporate taxes will rise by only \$380 million. It is clearly unfair for the Conservatives to continue the same pattern which has existed over the last 20 years, which is to shift the burden of taxation from corporations to individuals, and to do it in such a way that the taxes on individuals will not only rise faster than those of corporations but throughout this year taxes will rise four times faster for individuals than for corporations. To illustrate this further, by the year 1990, individual taxes will increase more than ten times faster than corporate taxes. That is, the increase in taxes for individuals will be \$2.9 billion as compared to an increase in taxes on corporations of \$295 million.

Clearly, the tax system which is being imposed on Canadians by the Government is not only heavy and burdensome but is also unfair. The Budget has failed to address the most crucial issues facing Canadians today, and that is, the question of jobs. The Government has set targets for the reduction of the deficit up to the year 1990 but it has chosen not to set targets when it comes to unemployment. If the Government considered unemployment to be a serious problem, we would expect it to set targets. It would tell us how it was going to bring down unemployment and by how much each year, just as it has done with the deficit. But it has chosen not to do this. It has chosen not to take unemployment seriously. Even where it does forecast unemployment rates, it projects a very modest decline of .6 per cent in unemployment for this year and next. This is on top of the fact that it has cut the job-creation budget by \$200 million. The Government has very little, if any, concern in the area of employment. At the same time it has chosen to raise the taxes for ordinary Canadians in a way that is clearly unfair, while cutting their services.

[*Translation*]

Mr. Speaker, this Budget has raised personal income tax. This Budget has increased the tax load on ordinary average income families. This Budget has boosted the tax rate of average families by \$350 a year, and this comes on top of the \$1,000 increase imposed by the Government last year. So the Conservative Government's total additional tax grab from the average family amounts to \$1,350 a year. It is a huge tax increase, a very heavy tax burden for the average family.

Mr. Speaker, this tax increase was announced while at the same time the Government did maintain the lifetime capital gains tax exemption. The conclusion is that the Government made the tax load of ordinary families still heavier and handed a gift to high income people. Mr. Speaker, in one fell swoop