

was some 10.2 per cent. For an upper income family earning \$122,000 a year, guess what happened? There was a tax reduction of some 6.4 per cent. Do they call this tax justice, do they call this tax fairness? They say they represent ordinary Canadians. That is why I am saying it is the big tax attack of the Conservative Party of Canada.

On the other hand, where are the major increases in corporate taxes? On the other hand, we now have deferred taxes by corporations of \$36 billion in this country. Why is there not interest on the deferred tax when with interest on the deferred tax of \$36 billion at 10 per cent, we would have an extra \$3.6 billion to help pay down the national debt—

**Some Hon. Members:** Oh, oh!

**Mr. Nystrom:** —put moneys into day care, to cut taxes for ordinary Canadians. I ask you, where is the tax justice, where is the tax fairness?

Why is there not a merger tax, a special merger tax, when you have two big companies that merge in this country for no known purpose except to make a profit? Why is there not a merger tax that says that if the companies are going to merge they can only merge if there is significant benefit for Canadians and, if not, there is a serious merger tax? Why is there not a special tax on companies to help clean up the environment in Canada? Canadian people want that kind of a tax and there was not one in the Budget.

**An Hon. Member:** Tax, tax, tax.

**Mr. Nystrom:** This Budget is nothing but tax, tax, tax, as one of the Ministers himself has said. It is the biggest tax hike there is in the country for ordinary Canadians.

[*Translation*]

It was always like that with the Conservative Party. I still remember my grandparents and my father saying that Western Canada had been through a severe depression in the 1930s. At the time they had a Conservative Government led by Prime Minister Bennett here in Ottawa, and as it happened the country experienced the greatest depression in Canadian history. Lots of people out of work, lots of taxes, lots of problems, and the men used to take the train from one city to the next in search of employment. I know that the Hon. Member for Edmonton wrote a book in which he refers to the great depression, but that was due in part to the Conservative Party of Prime Minister Bennett, and now we find ourselves in the very same situation. Again we have a

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Conservative Government. Again we have a Budget where priority No. 1 is spelt taxes, taxes, nothing but taxes. Just more of the same!

Mr. Speaker, time has come to change Government, time has come to take action in this country, time has come to elect a Social Democrat Government for ordinary people.

• (1420)

[*English*]

I turn now to social programs. The second thing that really strikes me in the Budget after taxation is the attack on social programs by the Prime Minister and his colleagues. In terms of universality it is the beginning of the end. They brought in what is called a claw-back procedure in the tax system, a special tax on family allowance.

**Mr. Kilgour:** Against the rich!

**Mr. Nystrom:** It is a special tax on old age pensions. Thousands of people will now lose their family allowances and their old age pensions.

**Mr. McDermid:** It is 4 per cent of senior citizens all earning over \$75,000.

**Mr. Riis:** That is this year. Wait for next year when it will be 10 per cent.

**Mr. Nystrom:** In fact, 132,000 senior citizens will be affected. Some 535,000 people receiving family allowance will be affected. That will affect women because women receive the family allowance cheques, not the men. I see three or four problems with that.

I ask the Conservative Party why people with children who earn the same revenue as those who do not will be taxed at a higher rate. It is exactly what happens when family allowance is taxed in a different way.

Why is there a special tax on social income? What is the difference between income that comes from dividends, capital gains or executive salaries? Is there something second-class about social incomes?

I turn now to the means test. Is a means test not degrading? The cut-off today for family allowance and old age pensions is \$50,000. If it is \$50,000 today, how many days will it be before it is a \$40,000 cut-off, a \$35,000 cut-off, or a \$30,000 cut-off? How long will it be before a social program becomes a welfare program and we see the end of all social programs in Canada?

**Some Hon. Members:** Hear, hear!