

*The Budget*

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According to a study conducted by the well respected Institute for Research on Public Policy, targets for the minister's income tax reform have been low income and middle class Canadians. The only people who will be paying lower income taxes are those with incomes less than \$10,000 and those with incomes over \$100,000. Wealthy Canadians with incomes over \$100,000 are paying \$1,570 less in income tax today than when the finance minister took office in 1984.

The bottom line is that the middle class has been the favourite target of the finance minister's tax increases. The tax reform program imposed by this minister has been nothing but an all-out attack on the middle class of this country. They understand it. If members to your right, Madam Speaker, do not understand what is happening to the middle class in this country, the people who are paying the burden understand it. It is reflected every time you turn around anywhere you travel in this country.

Personal income tax revenues have increased three times faster than corporate income taxes since 1984. The Conservative government is now proposing to implement the goods and services tax which as my colleague from Ottawa South has said in this House is the single largest tax holiday afforded to corporations in the history of this country that he has been able to unearth—\$6 billion in taxes being transferred from corporations to consumers.

This kind of thing is being done in this context. As the minister said today, let us put it in perspective. Some 1.4 million Canadians have not been able to provide enough food for themselves and their families in the last year. They have had to rely on food banks across this country. That is something that many of us never, ever dreamt that we would ever see again. One million Canadian children live in poverty. People know that something has to be done, but this mean-spirited budget focuses on the most vulnerable segments of our society. It does not go after the fat; it goes after the poor, the homeless, the elderly, the youth, and the sick. Even native people have not escaped the cuts in this budget.

**Mr. Fontana:** Don't forget the veterans.

**Mr. Young (Gloucester):** Some 5,000 veterans, more or less, as my colleague from London East says, are being asked to make further sacrifices. I guess somebody thinks they have not done enough. They are going to have to pay \$3,000 a year to lay in their sick beds.

It is a tragedy that people do not understand what the policies of this government are doing to Canadians. They seem to be completely oblivious to the economic chaos, the fiscal problems, the basic unfairness, and the human suffering that their policies are creating.

**Mr. Turner (Halton—Peel):** What would you do?

**Mr. Young (Gloucester):** The hon. member asks what would I do. I think the answer to that is that Canadian people would love to have a choice, to see what in fact we would do, if they only had an opportunity. In every poll whether it is on the GST or the budget, on every issue that is put before Canadians today the one thing that they are nearly unanimous on is that they want nothing more to do with this government.

**Some hon. members:** Hear, hear!

**Mr. Young (Gloucester):** The reason for that is that this government has broken promise after promise. It has failed to meet one commitment after another. It has committed to reducing the deficit; the finance minister said it so often. Then he changed his mind and the deficit increases. He says that policies will result in lower interest rates, but they are the highest in eight years. He then contradicts the Prime Minister who said that after the budget things will be much better and interest rates will drop. The minister and his government have set an all-time record for saying one thing and doing another.

Canadians are uneasy because there are so many things about this government they cannot understand. They just cannot follow the reasoning or logic if in fact there is any reason or logic.

The economy appears to be in danger of moving into a recession, and some people would argue that we are already there. The finance minister says in his budget documents that we are going to have negative growth in 1991 for one quarter and maybe for a second quarter. It becomes a theoretical argument whether or not we are into a recession, but does it make sense to be slashing programs and imposing the goods and services tax, a brand new tax of 7 per cent, on Canadians?