

Supply

who has increased taxes since 1984, which has had a devastating effect on the poor and middle-income Canadians in this country, as I alluded to earlier.

I suggest that with the combination of these tax measures and cuts, and the obvious attempt to erode the principal of universality with regard to old age security and family allowance, the shortfall with regard to EPF funding and what it will mean for our provinces, it is a bad sign and a bad signal for Canadians coast-to-coast. Whether one lives in Nova Scotia, Manitoba, the North, Québec, or Ontario, from previous Governments we have come to expect a sense of equality, a sense of fairness. However, since 1984 coupled with Budget measures repeatedly, and now the most recent Budget of 1989, Canadians have come to learn to expect that there is no friendly hand with the Government of Brian Mulroney.

Mr. Deputy Speaker: On questions or comments, the Hon. Member for Winnipeg St. James.

Mr. Harvard: I want to thank my hon. friend for presenting to us some very thoughtful remarks. It would be my hope that every Canadian could read his remarks because he has made some very salient points. The claw-back by the Conservative Government is an effort to make an end run around universality. We all know if this claw-back provision in the Budget goes through, it will be the end of universality as we know it in this country. It will be the resumption of the ugly means test, only being done in a different manner.

Under this provision if old age pension can be taken away at an income level of \$70,000 today, it can be taken away at \$60,000 tomorrow, and \$50,000 the week after. The Government will not stop at family allowances or old age pensions, it will get into medicare, and into every single social program in this country.

Let me remind Members opposite how ugly the means test can be. I recall when I was young my mother telling me about what went on during the Dirty Thirties on the prairies. I recall it very well. Farmers would go to the municipal office only after they had reached the absolute bottom of despair and they would ask for perhaps a bag of flour. An ugly part of the means test is that they would perhaps get a bag of flour, but their names would be put on a list in the front window of the municipal office. That is what is ugly about the means test. I am getting to the question—

• (1030)

Mr. Deputy Speaker: I would ask the Member to do it now.

Mr. Harvard: I believe that the claw-back provision will prompt Canadians who do not share in a program like this to resent a social benefit of this kind. They will come to resent it. Does the Member not believe that programs like family allowance and old age pension would come to be resented as a result of the claw-back provision?

Mr. Dingwall: Mr. Speaker, my colleague's comment is very astute. He clearly spells out a concern that many Canadians have about the direction in which the country is going with regard to social programs. We have seen a number of government programs and its attempt to deindex, a subject which my colleague will address later in his remarks.

There is a great deal of concern, not only by provincial Governments but by individual Canadians and organizations, about the erosion of universality which began as recently as 1984 and has been coupled with successive tax measures brought in by the Government and the most recent Budget of the Minister of Finance (Mr. Wilson). When you take the cumulative effect, in essence one must conclude that there has been a major assault against the principle of universality which will cause havoc, concern and a great deal of anguish by many Canadians who are presently receiving benefits and hope to receive benefits in the years to come.

Mr. Crosbie: Mr. Speaker, I want to ask the Hon. Member whether he is familiar with the views of his Party's finance critic who suggested, as a matter of fact on March 21, that the federal deficit be reduced by taxing back all of the family allowance and old age security payments from those who do not need them. This is the Party's official spokesman on matters of finance, speaking for the Party, speaking for the Leader presumably, and speaking for the caucus. I quote from the *Ottawa Citizen* on March 21. He said:

But MacLaren said drastic action is needed to cut the federal deficit, possibly both tax increases and spending cuts. And the money saved by taxing back social program payments from those that don't need them could be used to reduce the deficit and help those in need, he said.

MacLaren said he also supports the need for a new broadly based national sales tax on goods and services to replace the current narrowly based federal sales tax on manufacturers which he agreed is badly flawed.