

Oral Questions

We now have a serious problem in Montreal. Industries that have become obsolete must be replaced by new aerospace technology—

* * *

[English]

TAXATION

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, Statistics Canada reported today that the average Canadian is no better off in 1991 than they were in 1980. The Minister of Finance says that in fact they are 2 per cent better off. That is the poorest who are 2 per cent better off, but the rich in Canada are 10 per cent better off. Under the Liberal and Conservative governments what has happened is that the rich have become richer.

Is the Minister of Finance now prepared to look at a fair tax system, because it is the tax system that ensures that the rich continue to get richer? Will he institute a fair tax system? Will he start by establishing a fair tax commission to study this issue?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, as the hon. member knows, there has been a great deal of change to the tax system that has made the tax system not only fairer but indeed simpler in many respects and more broadly based.

I repeat to the hon. member that the government's efforts to sustain growth and prosperity have shown up in an increase on an annualized basis of incomes of 2 per cent per year since 1984. That growth is continuing and we hope it will continue. With the turnaround in the economy and the need to improve our competitiveness, we believe we are on the track to sustained recovery, sustainable growth with price stability. The price stability is the most important factor because it is inflation that hits the low income and middle income people the hardest.

* * *

CHILD POVERTY

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, I have a supplementary question for the Prime Minister.

Last year the Prime Minister attended the world summit on child poverty. We all had great expectations that that would result in some changes for all countries

including Canada. Yet, a major study of eight industrialized countries shows that Canada has the second worst record on child poverty of those eight industrialized countries.

We must address that issue now. I want to say that so far the government's response to poverty has been to extend the cap on CAP, to take billions of dollars away from social assistance for Canada's poorest.

Will the Prime Minister stand up today in this House and say that he is prepared to do something for child poverty in Canada and he is prepared to do it now, not tomorrow's agenda? What is today's agenda for the children of this country?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, the enhancement of the child tax credit and other changes in the tax system have been very helpful in terms of improving the income levels for families.

• (1430)

I draw to the attention of the hon. member the fact that the United Nations, using a human development index that measures incomes, education, quality of life, environmental considerations, health and longevity, voted Canada number two out of 160 nations as the second best country in the world in which to live.

What is more important, according to the UN report, Canada's ranking improved from seventh in 1970 and sixth in 1985 to number two in 1990, and only Japan had a higher ranking than Canada in 1990. I think that is a pretty good record.

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, I say to the Minister of Finance that I do not think the poor children in this country want to hear us exchanging statistics. They would like to know that there is a future in this country. I would like to say that this government has a responsibility to those children.

[Translation]

However, the minister knows perfectly well the best way to stop being poor is to have a good job. Exports create those jobs, but our exports to the United States are now at their lowest level in 10 years. Where are the jobs the government promised Canadians? What is this government going to do for the unemployed?