

*Oral Questions*

country so that we can continue to see the growth in this economy and the jobs that come with it.

The Hon. Member knows full well that we have had a completely different set of circumstances—

**Mr. de Jong:** Six months ago.

**Mr. Wilson (Etobicoke Centre):** —with the high interest rates we have seen over the course of the past few months. That has knocked us off stride in our objective of getting the deficit down and getting the debt under control. Measures must be taken now to deal with that.

The Hon. Member's Party has been continually calling for lower interest rates, which we would like to get as well, but one cannot just dream down a road and say: "Let's have lower interest rates". We must bring in policies that will generate those lower interest rates. That is exactly what we are trying to do as a result of the Budget that was tabled last week.

## TAX EQUITY

**Ms. Audrey McLaughlin (Yukon):** Mr. Speaker, in 1986, over 6,000 wealthy Canadians did not pay any tax. The Minister, in his Budget, has increased the surtax, but I remind him that 8 per cent of zero is zero.

I remind him that Canadians are listening. Is this the Minister's version of tax fairness? When will he ensure that the wealthy pay their fair share?

**Hon. Michael Wilson (Minister of Finance):** Mr. Speaker, let me point out to the Hon. Member what is in the Budget.

**Mr. Broadbent:** We know.

**Mr. Wilson (Etobicoke Centre):** We have brought in a high income surtax so that someone earning about \$30,000 or \$40,000 will pay \$75, \$85, \$90 more in tax, but someone earning \$100,000 will pay more than \$1,000 more in tax, and someone earning \$200,000 will pay more than \$2,000 more in tax. Surely that indicates to the Hon. Member that we are asking those who can afford to shoulder a heavier burden in meeting this debt problem to do so.

What we have done in previous Budgets, beginning in October, 1984, is to continually weed out, identify and eliminate a number of tax breaks, tax preferences, tax loopholes that upper-income Canadians have been taking advantage of—

**Mr. de Jong:** Then you upped the rates. How can you stand there and give us that? How dare you stand up—

**Mr. Wilson (Etobicoke Centre):** If the Hon. Member who wants to be Leader of his Party—I can't think of a more frustrating position to be in—would listen to the answer, he has been on the Finance Committee and he knows the number of these tax preferences we have removed and identified. The Hon. Member should know that we have been taking action and will continue to take action.

**Mr. de Jong:** What a bunch of bunk.

\* \* \*

## THE BUDGET

## SOCIAL PROGRAMS

**Mrs. Edna Anderson (Simcoe Centre):** Mr. Speaker, my question is directed to the Minister of Finance. Will he explain to the House the Government's rationale for involving family allowance and old age pensions for incomes over \$50,000 as a measure of decreasing our national debt?

**Hon. Michael Wilson (Minister of Finance):** Mr. Speaker, let me refer the Hon. Member to the statement in the Budget speech:

The central purpose of the social safety net is to assist those most in need, not to subsidize those with high incomes.

We have stated on many occasions in the House that the cost of servicing the government debt has gone up significantly as a percent of our tax dollars. For every tax dollar that we pay now, 35 cents goes to servicing the government debt. If we can control that amount, and this is one of those measures that will help us control the funded debt, we will be able to do more to maintain and enhance the social programs for those who are most in need, those who need the help the most.

\* \* \*

## THE ECONOMY

## UNEMPLOYMENT IN ATLANTIC REGION

**Mr. Francis G. LeBlanc (Cape Breton Highlands—Canso):** Mr. Speaker, in the absence of the Minister of Fisheries and Oceans, my question is directed to the Minister for International Trade. Many communities in Atlantic Canada face economic disaster because of quota reductions and a shortage of fish stocks in Atlantic waters.