

I want to ask the Minister of Finance why we have government policies that are hitting the poorest 20 per cent of Canadian people much harder than the wealthiest 20 per cent of Canadian people, who are his friends. Why policies that penalize the poor?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, my hon. friend would know, I am sure, that real average family incomes grew by 9 per cent over the period 1985-90. Almost all family types in all regions experienced this increase. Particularly there was a very major increase in incomes for women.

I indicated earlier that we have gone through a long and difficult recession and obviously that has had an effect. As the Statistics Canada release noted, government cash transfers have increased from 7.8 per cent to 12 per cent.

As my colleague the Parliamentary Secretary to the Minister of National Health and Welfare observed, we have restructured a number of programs to zero in on the low income people, particularly the low income people who are working, the working poor.

I think if the hon. member were to look at that again, he would find that under the provisions of the child benefit package that was introduced on January 1, 1993 there is a very significant improvement in targeting income support for the working poor and those with moderate incomes.

Hon. Lorne Nystrom (Yorkton—Melville): Mr. Speaker, that is very moving because Statistics Canada said that families have been hard hit in the last 10 years and that we are all poorer, especially the poor of this country.

I want to ask the minister why an increasing tax burden has been put on the poor people of Canada. From 1982 to 1990 income tax increases for the poorest 20 per cent of people in this country went up by 232 per cent. During the same period the richest 20 per cent had increases of 82 per cent.

• (1445)

Why is there this discrepancy: 232 per cent for the poor, 82 per cent for the rich? I know that Tory times are tough times, but why penalize the poor and support his wealthy friends? We want to know the answer to that question.

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, the hon. member's observations are totally inaccurate. As I indicated earlier, through tax reform 850,000 low income Canadians were taken off the tax rolls, 250,000 of those were senior

citizens and 9 out of 10 Canadians who were 65 years of age and over in fact saw their taxes reduced.

I should also point out, in contrast to what the hon. member suggests, those with total income less than \$20,000 declined to 15.8 per cent from 18.6 per cent in 1985, totally contrary to what the hon. member is suggesting.

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AUTOMOTIVE INDUSTRY

Mr. Tom Wappel (Scarborough West): Mr. Speaker, on Thursday General Motors is going to close the doors to its very profitable van plant located in my riding of Scarborough West and relocate its operations to Flint, Michigan. This will result in a loss of jobs for 3,000 highly skilled auto workers, affecting thousands of families and causing more job losses in related industries.

I ask the Minister of Finance exactly which elements of his stale budget, the flawed free trade agreement and his government's failed economic plan will help these 3,000 workers and the families that his government pretends to care about.

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, I think if my hon. friend looks at the experience that we have had in the automotive sector, he will see that Canada has increased its share of the production in the automotive sector over the course of the past 10 years.

Mr. Marchi: What is Chicago doing?

Mr. Wilson (Etobicoke Centre): That does not take away from the fact that these people in Scarborough and in some other parts of the automotive sector have lost their jobs, but over-all in the industry we have increased employment, we have increased production and we have increased our share of the productive capacity in this country.