

Oral Questions

might be found in Soviet test areas. Let us hope, sir, that these initiatives prove beneficial for the future of mankind.

ORAL QUESTION PERIOD

[English]

TAX REFORM**EFFECT OF GOVERNMENT PROPOSALS**

Right Hon. John N. Turner (Leader of the Opposition): Mr. Speaker, in the absence of the Minister of Finance I would like to put my question to the Deputy Prime Minister about what the Government likes to call tax reform.

I acknowledge that some people are doing very well in Canada, and the Government will undoubtedly produce some encouraging statistics. But despite the fact that there are people prospering in our country, there are regions that are suffering and there are Canadians who are hurting. I want to remind the Deputy Prime Minister of the intolerably long line-ups at food banks across Canada and at soup kitchens.

How can the Deputy Prime Minister justify his colleague putting forward a series of tax proposals under the guise of reform that, in effect, really take money away from the poor in Canada?

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and President of the Treasury Board): Mr. Speaker, first, I think the Right Hon. Leader of the Opposition will recognize that tax reform has to be considered as a package. In that package some 850,000 Canadians will be taken off the tax rolls. Nine out of ten aged 65 and over will find their taxes reduced. I believe that between 1984 and sometime in 1985 some 263,000 Canadians have been taken off the welfare rolls.

For the first time since 1981 real after-tax income has increased for Canadians, so I think it is fair to say that there has been a tremendous improvement since our Government assumed office.

I would also remind the Hon. Leader of the Opposition that some 875,000 new jobs have been created. The commitment of the Government is to create jobs and stimulate economic activity—

Mr. Broadbent: And it is a nice day outside too!

Mr. Mazankowski: —and that is recognized by the tremendous growth rate that has been reported in the first half of this year.

FOOD TAX ISSUE

Right Hon. John N. Turner (Leader of the Opposition): Mr. Speaker, the Deputy Prime Minister talks about 850,000 coming off the tax rolls as a result of the so-called tax reform proposals. He neglects to remind the House that during the

last three years under this Government one million Canadians were added to the tax rolls.

Mr. McDermid: They found jobs.

Mr. Turner (Vancouver Quadra): We have repeatedly pointed out in this House that the tax policy of the Government has had, as a direct effect, the widening of the gap between rich and poor in Canada. There is a wealthy Canada but what about the other Canada? What about the poor, the homeless and the hungry? How in these circumstances can the Government even contemplate a tax on food? Where is the fairness in that? Where is the justification for it? Where is the understanding and compassionate position of the Government with respect to that issue?

● (1420)

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and President of the Treasury Board): Mr. Speaker, the Right Hon. Leader of the Opposition knows there is nothing in the tax reform proposals which specifically outlines a tax on food. He should not try to mislead the House in suggesting that. He also takes issue with the fact there are some one million Canadians, I think was his figure, who are now paying taxes.

Mr. Turner (Vancouver Quadra): Added to the rolls.

Mr. Mazankowski: In addition. I think they are a very welcome addition, because most of those people are now working rather than being on the unemployment roll. That is a positive fact.

Some Hon. Members: Hear, hear!

[Translation]

INQUIRY WHY GOVERNMENT WANTS TO INCREASE TAXES FOR LOWER-INCOME CANADIANS AND MARRIED WOMEN

Right Hon. John N. Turner (Leader of the Opposition): Mr. Speaker, according to the latest report of the Economic Council of Canada, in addition to putting a burden on the poor, the Government's tax reform proposal would also penalize married women.

Are we going to help Canadian families by increasing taxes for married women? Are we going to promote equal rights for women by reducing their income? Why is the Government taking this immoral stance of increasing the taxes of low-income Canadians and married women?

[English]

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and President of the Treasury Board): Mr. Speaker, we on this side of the House do not share that view. There are a number of elements in the tax reform proposals which help the poor and less fortunate. The establishment of more tax credits is, I think, a very positive element. We have moved to impose a minimum tax.