

*Government Orders*

• (1700)

I think our point is relatively simple. The services that are covered under the program embrace the range commonly known as welfare service. The primary target group is poor women with children. Although we still believe the best welfare is a good job, we also are quite concerned to make sure there is adequate support for the poor women with children who want to get those good jobs. We need good child care. We believe the best investments are with our youngest citizens."

Mr. Speaker, it is obvious that the government that introduced a bill such as Bill C-32 is doing exactly as it did with Bill C-69. Furthermore, it is obviously in disagreement with all groups supporting women, the poor, the unemployed and any person who needs the help provided by the Canada Assistance Plan.

[*English*]

In fact it is safe to say that this government has done worse than nothing for the poor of this country since it took office in 1984. The bulk of its program cuts have been in this area. We see this cap here. We see the clawback in old age security payments. We see increased premiums for unemployment insurance. We see reduction in payments under the Unemployment Insurance Act, both in duration and in amount. I suggest that what the government is doing is trying to solve its deficit problems on the backs of the poor.

I made a speech last Friday and effectively discredited the Minister of Finance's opening gambits on his budget presentation. This bill represents another part of his budget, and I indicated in that speech very clearly how the government had failed Canadians in leadership and its efforts to reduce the deficit.

In response to a question that was put to me after the speech when I was asked what it was we would have done, I neglected to mention one very important thing, and that is the things I suggested be done we would have done in the very first year of office, in this case in 1984. I suggest had the government made the cuts in 1984 instead of giving tax breaks to the wealthy and increasing its expenditures, spending money like a drunken sailor, trying to hand out patronage plums to all its friends, if instead of doing all that it had really bitten the bullet, swallowed it, and said it was going to solve the deficit problem in Canada and been serious about it—as it kept saying it was throughout the election campaign—then today it would be expanding these programs instead of cutting because it would have money in the bank,

especially after having introduced something like the GST that is bringing it in so much money.

Yet the government did not think of that in 1984. Oh, no, no, they did not. They said: "Oh, well, we are a new government. The cupboard is bare but we can afford this and that. We can get jobs for our friends. We can help out this group and that group and spend money on this public work project and that public work project. We can build a new penitentiary in the Prime Minister's constituency and all kinds of things".

Remember all that? Now we are paying for it in spades. Now it is saying the reason why the deficit is so big is because of the interest payments on the debt it inherited. That is palpable rubbish. The reason it is having all these big interest payments today is because it did not reduce the government expenditures when it took office the way it said it was going to. Instead it gave tax breaks. It allowed the gap between revenue and expenditure to increase in 1984 and 1985 and 1986 instead of dealing with the issue properly. By 1987 it knew it had an election to face so it did not increase taxes at that time. Remember, it gave us a tax break? Remember it introduced part one of tax reform and lowered taxes before the election and then brought in the GST right after the election.

Any responsible government would have done the two at the same time, but not this group. It had its eye on the election campaign and it was determined to win, keep themselves in office at any cost, and boy, has it cost the Canadian people, particularly the lowest income groups in the population.

Let me quote some statistics that will back up my point. I know the hon. members do not like to hear statistics because it upsets them. I am quoting now from "Household Facilities by Income and Other Characteristics", a publication of Statistics Canada this year. "The 20 per cent of households with the lowest incomes, that is the bottom quintile, the bottom of one-fifth of all households in Canada, had the same share of total income in 1989, that is 5.2 per cent of the total income in Canada, as in 1981". In other words, over the nine year period they got no increase whatever, while the 20 per cent with the highest income showed an increase in the same period from 39 to 41 per cent, almost 40 to 42 per cent. The increase was at the expense of households in the middle three quintiles. Which is exactly what we have been saying. The middle classes have suffered under this government and the lowest groups in the whole system have got absolutely zero.