

The Budget

what does this minister offer? A tax cut of \$2 this year. If we look at an average family earning \$40,000 a year, what does this minister offer it by way of a tax cut? \$27 a year.

If we look at the table in the government's own Budget Papers, guess who gets the biggest tax cut of all this year of \$111? It is a family earning \$100,000 a year. It is not surprising because this is typical of Tory tax reform.

Also, if we look at the minister's table, strangely enough the single taxpayer gets a bigger cut than an entire family. That is real "Mazanomics", to use a word I saw in some of the press coverage.

• (1540)

Looking at this \$2 cut for a family below the poverty line, no wonder I have called the Minister of Finance "Mr. Generosity" and "Two Buck" or better still "Two Loonie Maz".

The government talks of its proposed new child benefits program, but let us look at this proposed program after the smoke of the budget speech clears away. What do we see? The average family gains very little from this proposal. In fact a family with an annual income of \$40,000 will receive an added annual benefit of only \$44. In three years the value of the benefit will decrease by 10 per cent and within a decade the help will be gone for most families because this benefit is not indexed for inflation.

The government's proposal will put \$2.1 billion back into the system over a five-year period, starting January 1, 1993. The Minister of Finance must hope that Canadians have forgotten that between 1986 and 1991 the Conservative government took more than \$3.5 billion out of the child benefit system. This proposed child benefit program still fails to put back in the hands of Canadian families everything this government took away from them only between 1986 and 1991.

By the way, nothing in the proposed child benefit program addresses the profound need for child care facilities. In fact the government's drum beating for this new program hides the fact that the government has apparently abandoned its pledge of a national child care program to provide facilities to look after the children of parents who are at work.

Ms. Copps: Child care killer.

Mr. Gray (Windsor West): Mr. Speaker, the government has proposed the increase of its child care expense

deduction by \$1,000, but it is important to note that this deduction provides absolutely no benefit to families who do not earn enough money to pay income tax. Also, this program will not go into effect for almost a full year. If there are any additional benefits in it, they will not be available to Canadian families right now when they are suffering from the effects of this very serious government induced recession.

In the budget it is true the government did adopt the Liberal proposal, although not in the exact same detail, to allow the use of RRSP funds to buy homes. The government has already accepted our proposal to lower the down payment required to buy a home.

When the Tory drum beat stops and the smoke clears away and they stop moving the shells around, what do we see? The Conservatives are cancelling the co-operative housing program. They are cutting back on the growth in the funds for Canada Mortgage and Housing to provide for other programs of low income housing. The RRSP and low down payment programs, we expect to be useful, but they do nothing for people who cannot afford to put money in RRSPs and who cannot afford even a 5 per cent down payment. The budget makes it harder and not easier for those Canadians, low income Canadians, tens of thousands of them, to be able to get decent, affordable housing.

The budget does have some interesting words, fine words about education and training. Again, when the smoke clears away, there is a lot less there than meets the eye. The budget talks about increasing the student tax credit. Yes, it makes a slight improvement.

[Translation]

The government agreed to raise the education tax credit from \$60 to \$80 per month for students in post-secondary institutions.

[English]

This budget does nothing to restore the cuts in federal transfer payments to the provinces for post-secondary education, cuts that will mean that in Ontario alone likely 5,000 fewer young people will be able to go to university next year. What good is a tax break to pay for university studies to a young Canadian who cannot get into university in the first place because of the government's cuts in transfer payments to the provinces for post-secondary education? The universities now have to