

Income Tax Act, 1986

middle class and give it all to the oil multi-nationals. Because that is what the Budget Speech has given us, and that is what the figures published by the Department of Finance reveal. It is not a matter of knowing whether we are for or against controlling the deficit.

Personally, I have said both inside and outside the House that it is a concern of all Canadians. Fiscal responsibility is not only the concern of those sitting on your right, Mr. Speaker, but also of those sitting on your left.

Let no one tell us that indexation of the income tax tables should be abolished in order to control the deficit, when that same Budget is going to give billions of dollars to the oil multi-nationals.

And for the information of the previous speaker, I may also add that this same Government, according to his speech, wants to bring back inflation in our income tax system to combat the deficit, while this same Bill C-84 proposes to introduce a capital gains tax exemption that will also cost billions of dollars, I believe \$4.5 billion, between now and the end of the decade. And now another reason, and here I would refer to what was said by the Minister of State for Finance Mrs. McDougall. I was shocked by the Minister's speech. How smooth and at the same time how naive. And a poor knowledge of the historical facts, especially since it was her own party, it was the Leader of the Conservative Party who first suggested indexing income tax tables!

Is she going to repudiate Mr. Stanfield? Is she going to repudiate all her colleagues who endorsed the indexation Bill in the House even before she first arrived here? She may very well laugh and smile today. She seldom does that, but I can see she is smiling now. It is quite insulting to hear that from a Minister who does not even know the philosophical history of her own Party. She is telling us that we Liberals lack fiscal accountability, that indexation has to be abolished now because of us nasty Liberals. Where was she when her own colleague, the Minister of Finance, gave the multinationals \$2.5 billion for the year 1990-91 alone, not to mention the \$920 million for the current year? Is that not more important?

Where is the political philosophy of that Party? Does she realize that by granting the capital tax exemption she will increase the deficit? And their approach consists in taking everything off the hide of Canadians and ordinary taxpayers through de-indexation of the first 3 per cent with respect to the tax brackets.

A moment ago my colleague from Saint-Henri-Westmount (Mr. Johnston) fully explained the impact this will have in 1990-91, but it does amount to a \$570 million tax increase in 1986-87.

Mr. Speaker, to show you just how insidious that tax is I might say that in a period of four years, or in four years from now, the additional \$570 million to be paid by Canadian taxpayers this year because of the Government will have been

multiplied by 7.5, which means that the tax will jump from \$570 million to \$4.3 billion. Imagine what it will be in 1995. How much bigger will the tax load of Canadian taxpayers be? Very likely close to \$10 billion.

We are saying to the Government: If you want to talk about fiscal accountability, at least try to be consistent. Do not be so generous towards the oil multinationals and wealthy people, and then siphon off that money through an insidious expedient such as the de-indexation of tax brackets.

Mr. Speaker, when the debate was first launched in the 70s I had an opportunity to talk about the consequences of indexing or de-indexing tax brackets. I then took some positions with respect to the debate in the early 70s.

But today, as they attempt to pass off Clause 65 as having to do with deficit-reducing fiscal responsibility, I am saying that Government Members ought to be ashamed of themselves because they did manage to find enough money to give \$1 billion to bankrupt financial institutions. They had enough money to grant close to \$1 billion in tax exemptions to Olympia & York to enable the company to buy Gulf which is now closing down in Montreal East. They had enough money to repeal the tax on multinationals.

They had enough money to grant capital gain tax exemptions to affluent people.

But they no longer have any money when it comes to personal income tax, and we know that the bulk of the taxes are paid by middle class Canadians.

Mr. Speaker, I should like to emphasize very strongly the lack of consistency, responsibility and social justice of this government. And I urge all Hon. Members not to fall for this trick, because sooner or later they will have to come clean about these issues in their respective ridings. It is all very nice to come to the House and brag: "Opposition members are likely to stay quite a long time in the opposition because they have no fiscal responsibility." But Canadians are well aware of the game the Progressive Conservative Party is trying to play, as evidenced by the fact that this Party is now ranking second in the public opinion polls. I urge these people—and especially the Hon. Member for Beauce (Mr. Bernier) to keep very quiet these days.

Mr. Speaker, these Hon. Members will have to answer for their policies, and already Canadians are asking them to account for them; in this motion moved by the Hon. Member for Saint-Henri-Westmount (Mr. Johnston), I think that we should look for a matter of fairness and justice. Bill C-84 as a whole contains a great many unfair tax proposals and I suggest that motion n° 4 which proposes to abolish Clause 65 of this bill should be accepted.