

Government Orders

ened, which amounted to another \$15 a year. Cigarette, and this time airline ticket taxes, caused an increase of \$35 in taxes.

On June 18, 1987, under tax reform this time for a change the average Canadian was paying \$310 a year less than after the previous budget.

However the Minister of Finance went on to correct that. On February 10, 1988, additional gas tax increases of one cent per litre were introduced, which cost Canadians another \$50 a year in disposable income.

I could go on and on about what this government has done in the taxation sector for ordinary Canadians. This year I had more complaints from constituents about the amount of taxes they are paying today over what they paid in 1984. I would have said previously that this government is slowly nickeling and diming Canadians to death, but it is more than that. Average Canadian families are now paying a couple of thousand dollars more a year in taxation than they were in 1984.

If we compare that to what this government has done for the corporate sector, we find a situation contrary to what the Minister of Finance set out in a speech in February 1987. He said: "This government's fundamental strategy in reviewing the corporate income tax is to ensure that profitable corporations pay their fair share to preserve respect for the tax system. We must further reduce the source of the problem by cutting back special corporate tax write-offs. This is the direction that I set out in May 1985 and acted on last February".

Despite the finance minister's rhetoric, in every year the Conservatives have been in power more and more profits have gone untaxed. By 1987 those untaxed profits had almost doubled to \$27 billion from \$15 billion in 1984.

It has been suggested by Department of Finance officials and members of the government that it is mostly farmers and small businesses that do not pay tax. To say the least, that is a distortion of the facts and it does a disservice to both farmers and the small business sector. If we look at the most recent Statistics Canada data, it should be clear even to finance officials that the farming,

fishing and forestry sectors together make up less than 1 per cent of all untaxed profits.

The Minister of Finance has called the data outdated since, as he said, that was the year before tax reform. Yet, some tax reform measures were implemented in the middle of 1987 and should therefore have been reflected even somewhat in the 1987 data.

Further, if one looks at more recent industrial corporation statistics, one finds that total deferred taxes for Canada's largest corporations are continuing to grow in 1988 and into 1989. By the end of 1989 cumulative deferred taxes for wealthy industrial corporations reached \$38.5 billion. In fact deferred taxes grew by \$6.1 billion between 1987 and 1989—and that was after tax reform—compared to \$3.7 billion worth of growth between 1985 and 1987.

The government's tax reform has done little so far to slow down deferred taxes for the corporate sector, particularly for large corporations.

If you take a look at what this government considers to be fair tax reform, Mr. Speaker, you will discover that there are still some 480 Canadians with incomes over \$100,000 a year who have not paid one cent in income tax. There are some 2,920 individuals with incomes over \$50,000 a year who do not pay a red cent in income tax. So much for fairly sharing the tax burden.

Mr. Speaker, I know you will be interested in the following figures. In 1988 the corporate tax rate was reduced from 36 per cent to 28 per cent. More than 60,000 corporations paid no taxes at all. These corporations include Algoma Steel at profits of \$80 million. It paid no taxes. Interestingly it made donations of some \$8,750 to the Conservative Party of Canada.

Bramalea had profits of \$33 million and paid no taxes. Its contribution to the Conservative Party was \$12,625.08.

Brascade had profits of \$64 million and paid no taxes. Its contribution to the Conservative Party was \$24,319.

Confederation Life had profits of \$62 million and paid no taxes on it. It contributed \$11,186.52 to the Conservative Party.