

Excise Tax Act

Look at the tax grab of major tax increases for individuals introduced by the Conservative Government. It picked up \$1 billion in 1984 with a 1 per cent increase in sales tax. That was the first whammy. It picked up another \$1 billion with the second increase of 1 per cent in sales tax in 1986. A third increase in 1986 picked up another \$1 billion.

A two cent a litre increase in gas resulted in \$930 million in excess revenue to the Queen's coffers. The second increase on gas earned \$450 million, and the third in 1987 earned \$450 million, for a grand total of \$1.830 billion in gas tax increases alone.

The equalization of sales tax on unleaded and leaded gasoline in 1987 resulted in an extra \$30 million coming into the federal coffers. The kiddy tax on candies and soft drinks and the sales tax on pet food earned \$400 million. The extension of sales tax on snack foods earned \$60 million.

The first increase in cigarette and tobacco taxes earned \$320 million. The second increase in the so-called sin taxes resulted in a \$150 million increase in tobacco and alcohol taxes. The third increase in 1987 amounted to \$70 million.

The elimination of the RHOSP has to take the cake. I congratulate the Member from Toronto who is decrying the cost of housing in Toronto and would like to see a Toronto based Registered Home Ownership Savings Plan launched. Where was the Member when, in the Government's first Budget, it eliminated the Registered Home Ownership Savings Plan and the Liberal Party in Opposition demanded that the Government reinstate it? Where was he when the Canada Mortgage and Housing Corporation doubled the cost of guaranteeing the purchase of a home, which effectively added \$800 to the price of a new home anywhere in Canada?

Where was the voice from Toronto when the Government decided to pay down the deficit on paper on the backs of working Canadian men and women who are trying to be in a position to own their own homes?

Where was he when his own Finance Minister, from his beloved City of Toronto, the same city that does not warrant designation as a financial centre, increased the tax on building supplies and materials, which added a further \$400 to \$800 to the average cost of a home anywhere in Canada? The RHOSP would have potentially given tax breaks of \$1,000 per year per person, \$2,000 per year per family which, over 20 years, amounts to a tax break of \$20,000.

Now that they are going to have some kind of international economic summit in Toronto the Member jumps on the bandwagon and claims to be fighting for working men and women in the City of Toronto when he sat in his seat silent for three and one-half years while the federal Government did everything it could to try to increase the cost to the Canada Mortgage and Housing Corporation by eliminating the RHOSP, by increasing building supply materials, and by standing back and allowing the burden and responsibility for a

national housing strategy to fall back on the shoulders of provincial Governments.

The elimination of RHOSP was another \$105 million benefit to the federal coffers. The deindexation of the tax system earned \$635 million. The elimination of the federal tax reduction amounted to another \$650 million. Changes to marital exemptions saved the federal coffers \$20 million. The general 3 per cent surtax of 1986 amounted to \$1.2 million. The general temporary 5 per cent and 10 per cent surtaxes of 1986 amounted to another \$500 million. The 10 per cent tax on long-distance calls of 1988 earned \$945 million. Increases on other sales taxes amounted to \$370 million. This list, long and complete though it may be, does not include the new federal sales tax imposed on June 18, 1987.

As soon as the Prime Minister got elected on a platform of no tax increases, on a platform of protection of senior citizens, on a platform of protection of universality, he immediately waged a campaign to increase taxes, to cut back on senior citizens' pensions and to damage and destroy universality.

Is it any wonder that the Canadian taxpayer is getting a little bit cynical about governments? Is it any wonder that when the Prime Minister stands up to give a speech, people ask themselves whether this man can be trusted to keep his word? He campaigned in 1984 on a simple promise that he was not going to increase taxes. Yet he has increased taxes more quickly and more unjustly than any Prime Minister since Confederation.

[Translation]

I do not believe, Madam Speaker, that Canadians can trust a Prime Minister who during the election campaign claimed that he hated tax increases, whether on personal income or on direct taxes like the sales tax, because we can see very clearly that even before the election, he was claiming that there would be no tax increases, but once he was elected, since his Government took power, we have had specific tax increases: a 55 per cent increase on personal income, a 28 per cent increase on corporate income, a 77 per cent increase of sales taxes, Madam Speaker, between 1984 and 1989, and a 16 per cent increase on other income, for a total average tax increase of 46 per cent; this from a Government that claims it does not want to increase taxes for Canadians.

Furthermore, Madam Speaker, we must consider the fact that the most affected, those who suffer most from tax increases are the least wealthy because, if one looks at the figures, the greatest tax increase is for the sales tax and the excise tax that we are now discussing; the poorest are the hardest hit. For example, someone who needs to buy something to repair his house pays the same tax, whether he is a millionaire or poor. That is why the Minister of Finance claimed that the sales tax kills jobs. Indeed it does. But why did the Government and the Prime Minister take office promising Canadians that they would not increase taxes? But since they have been in power, Canadians have had the biggest tax increases since Confederation. People are wondering, Madam