

increases in modern Canadian history. They have gouged \$22.8 billion more out of individual taxpayers. That is an average of \$2,000 per taxpayer during the tenure of the present Government. Compared to that, over the same period of time corporations are taxed \$2 billion less than they were when the Government took office.

Is that fair? Is that the type of justice the Minister of Finance was talking about? Is that the fairness which he has in mind? Is that the equitable style of taxation which he wishes to deliver to the country? Because of deindexation most of the increases have been not only massive, but automatic, cumulative, hidden and sneaky. As my colleague, the Hon. Member for Trinity (Miss Nicholson) said so eloquently this morning, it put the Canadian taxpayer on an escalator. These taxes move forward without abatement.

• (1230)

The Minister was not frank with the House. He tried to give us and the country the impression that there were no new taxes of substance, certainly no new personal income taxes. However, those taxes are already built in, in the first two Budgets, and they carry forward with ever-increasing effect during this year and the next.

[Translation]

Mr. Speaker, we are not going to thank the Minister, because for Canadians on low incomes, the tax increases and the surtax included in the first two Budgets continue to be in effect, since they are automatically extended in the present Budget, and they are just as unfair and just as sneaky as they were at the time they were introduced.

[English]

I believe the country deserves a little illustration so that my meaning can become clear. The cumulative effect of these three Budgets, including the one we are debating now, is that during the four-year term of the Government a family with two children earning \$15,000 a year will have a cumulative tax increase of 53.1 per cent. A family earning \$30,000 a year will have a cumulative tax increase over four years of 18.3 per cent, and those earning \$100,000 a year will have a cumulative increase over four years of 6.9 per cent. That is \$15,000 a year with a 53.1 per cent increase compared to \$100,000 a year with a 6.9 per cent increase. We ask whether that is fair, just or credible to the people of Canada.

The Minister of Finance asks us to support him in controlling the public finances of this country. He will not be able to do that unless Canadians believe the burden is being imposed fairly and justly so that everyone is paying their fair share.

People who are filing their tax returns know that they are paying more. When we study the current guide published by Revenue Canada, we see how much more tax one owes. The guide used to have three columns, but now has four, the fourth of which we will call the "Wilson surtax column". Even if one's taxable income is as little as \$550 per year, one is liable for a surtax.

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People are receiving their T4 forms now and looking at their income. They are suddenly recognizing that they are paying much more to the Government in taxes. They are seeing an extra \$100 or \$200 tacked on by way of surtax, in addition to the higher sales taxes and higher tax rates. They are asking why. Where is the money going? Is it going to help pay off the deficit? Is it going to help the less advantaged areas of Canada? Will it help to feed the starving in the Third World, to whom we owe some help as human beings? The answer to all those questions is no. People might understand having to pay more in taxes if their money was going to those causes. But for what is the money being used? It is partially to offset a lifetime \$500,000 capital gains tax exemption for the wealthy. It will help bring down tax rates on large corporations.

[Translation]

If we analyse the percentage paid by individuals in Canada and the taxes paid by companies and corporations, Canadian taxpayers are paying \$22.8 billion more in income tax since the Conservative Government came to power. However, corporations have seen their taxes drop by \$2 billion over the same period. In other words, the individual taxpayer is paying on average \$2,000 more in income tax, while corporations are paying \$2 billion less. Is that what the Minister calls fiscal fairness?

[English]

I do not believe that a single mother in Toronto who is trying desperately to raise her family, clothe and feed them while holding down a job, will thank the Minister for making her life harder. If she is in the \$15,000 income range, the impact of the Minister's three Budgets is that she will be paying \$321 more during this Government's tenure of office.

I do not believe the elderly widow in Vancouver Quadra, trying to live on \$15,000 a year, will thank the Minister either for increasing her taxes by \$423 with these three Budgets.

[Translation]

I don't think young couples in Montreal who are trying to save for their first home will thank the Minister for depriving them of money they could have saved for that purpose. If their annual income is about \$30,000, they will pay \$966 more in income tax.

[English]

What is really disgraceful is that those in the lowest income brackets who are earning poverty level wages are, for the first time, being hit by substantial tax hikes. As Ken Battle of the National Council of Welfare points out:

The federal Government is dipping further and further below the poverty line to get taxes.

This is not acceptable.

What about high income earners? The special 5 per cent and 10 per cent surtax on their income ended on December 31, 1986. It was removed, and once again the wealthy and the rich get the tax breaks while all that the poor get are broken promises.