

The Budget

has run the taxpayer of this country right to the brink and maybe beyond in some cases.

The income tax levels spoken by people who have come into the finance committee, spoken by manufacturers across this country, talked to by economists, have reached their upper limits. There is no more room to add income tax to the Canadian taxpayer. They have decided not to raise income tax because the Canadian taxpayer cannot afford more. However, there is an index policy which automatically brings it up quietly and underhandedly.

• (1240)

Excise tax, the sin tax that we talk about on gasoline and alcohol, was increased to the limits. People in my riding and in my area who live in border towns are driving their cars across the border and filling up with Canadian gas in Detroit and in other border towns because the tax on gasoline in our country almost doubles the price. The same Canadian gas bought in Detroit can be purchased at half the price of gas bought in Windsor.

There is a problem with our tax structure. The manufacturers' sales tax, the killer of jobs according to the Minister of Finance, has been raised and raised until it was two and a half times as large as it was when he took office. Therefore the remedy is a new tax and the GST was brought in, a GST which will solve all the problems. It will be the biggest tax grab placed upon the Canadian public and it will be put in place during the time this budget is in force.

The government has come in and said it is introducing a budget with no new taxes. What a shock. It has taken income tax to the highest limits possible, taken our excise tax to the highest limits possible, introduced a goods and services tax to outrageous levels—we will climb and climb and climb—and now it comes in and says, no new taxes. What a change! But Canadians know there are new taxes.

I could just sit back and think about that cabinet meeting when it was decided to develop the "no new taxes" line. Somebody is sitting back there scratching his head. He is thinking, "Well, you know, we have taxed this Canadian public as high as we can tax them. Every interest group in this country is telling us, don't add more taxes to us. What can we do?" Then somebody came up with, "Let the provinces pay our bill. If we stop

living up to the commitments through our transfer payments with the provinces, they can take \$2 billion, \$3 billion, \$4 billion, maybe even \$7.5 billion off our debt which will make us really look good. We have been trying to get below that \$30 billion debt figure for five years. If we have the provinces pick up a portion of that, we can bring it down to \$28.5 billion debt and that will look good on us."

However, the Canadian public realizes what this government has done. Everybody that pays taxes in this country pays to municipal governments, to provincial governments and to the federal government. If the federal government shifts taxes to the provincial government, it still costs our taxpayer the same number of dollars. What this budget has done is shift a huge tax from the federal government to the provincial governments.

The Premier of Ontario suggested that \$495 million extra will be required by the province to meet its needs. He also stated that the federal budget will take food out of the mouths of kids in Ontario because problems have been moved from his government to the provincial governments. Ontario is not the only one to suffer.

The Minister of Finance, through his strategy, has done one thing. He has united all the premiers, united them to speak against his budget, united them in anger because they know a huge problem that the federal government has built over the last five years has been transferred to the provincial governments who must now deal with it. That is a shame. It is a shame because where a province has been a good manager, where a province has done the very best to be honest with the public and raised taxes in accordance with expenditures, these provinces are being penalized. All provinces across this country are going to suffer that penalty from this budget.

When we look at that shift, we certainly cannot think that is fair in any respect and yet it is a strong shift that this government has done. They have changed focus now to get below the \$30 billion deficit and have the provinces and municipalities pay for it.

Just look at a couple of the specifics within this budget, that are going to affect groups in this country. The transfer payments to the provinces are going to add a great deal more burden to our health care systems. I come from the Essex County-Windsor area. There, Madam Speaker, we have had a great deal of pressure on