

[Translation]

The Minister of Finance told us: "Our immediate goal is to reduce the deficit through expenditures and not through major tax increases." That is what the Minister said before the election. Let us see what he did immediately after his election. Mr. Speaker, if we take the lists one after another, and you can see I have a few of them: the 1986 announcement about the deindexation of the tax system at a cost of \$635 million to the Canadian taxpayers; the elimination of the Registered—

[English]

The elimination of the Registered Homeownership Savings Program effective May 22, 1985, a cost to the Canadian taxpayer of \$105 million. The elimination of the federal tax reduction which benefited low-income earners effective 1986, a cost to those Canadians of \$650 million. Changes to marital exemptions for years of marriage, a cost to the Canadian taxpayer of \$20 million.

An increase in excise taxes on cigarettes and tobacco effective May 24, 1985, a cost to the Canadian taxpayer of \$320 million. A 2 per cent increase in excise taxes on alcohol effective May 24, 1985, a cost to the taxpayer of \$20 million. An increase of two cents per litre in the excise tax on gasoline effective September 3, 1985, a cost to the taxpayer of \$930 million.

An extension of the sales tax on candies, soft drinks, etc., effective July 1, a cost to the Canadian taxpayer of \$400 million. A general 3 per cent surtax effective July 1, 1986, a cost to the Canadian taxpayer in one year of \$1,200 million.

A general 1 per cent increase in sales tax effective October 1, 1984, a cost to the Canadian taxpayer of \$1 billion. A general 1 per cent increase in sales tax, another increase, effective January 1, 1986, a cost to the Canadian taxpayer of an additional \$1 billion.

A general increase of 1 per cent in sales tax effective April 1, 1986, the third one, an additional cost of \$1 billion to Canadians. Equalization of sales taxes on leaded and unleaded gasoline, another \$30 million in taxes. An extension of the sales tax on snack food effective July 1, 1987, \$60 million. An increase in taxes on alcohol and tobacco effective February 27, 1986, \$150 million. Increase in tax on cigarettes and tobacco by 4 per cent effective February 19, 1987, \$70 million. Increase in air transport tax effective May 1, 1987, and August 1, 1987, a one-year increase of \$45 million. An increase of 1 cent per litre excise tax on gasoline effective January 1, 1987, \$450 million.

• (2100)

Some Hon. Members: Stop!

Mr. Garneau: It is not finished. An increase of 1 per cent in the excise tax on gasoline effective February 19, 1987, \$450 million. There was also a 5 per cent and 10 per cent surtax effective for part of 1986, \$500 million.

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There was also some tax reduction. The lifetime \$500,000 capital gains. That was goodies for the rich. They received a gift of \$700 million.

That is the man who said to Canadians before the election that he will never raise taxes. If we add all those taxes they amount to \$22 billion. It took three years for the Minister of Finance to raise personal taxes by \$22 billion and he will take five years to return \$5 billion with tax reform.

Some Hon. Members: Shame!

Mr. Garneau: Mr. Speaker, when we look at the tax increases plus tax reform, what is the net result? That man made great publicity about his tax reform. He was supposed to transfer part of the tax burden from individuals to corporations. In 1984-85 when that man became Minister of Finance, the total personal and sales taxes paid by individuals amounted to \$36.8 billion. After tax reform in 1988-89, probably the election year, the total amount of taxes paid by individuals will have risen to \$59.1 billion according to the figures we have in the White Paper. That is an increase of 93 per cent.

Let us look now at the corporation side. In 1984-85 corporations paid \$9.4 billion in taxes. At the end of the five-year Tory mandate they will pay \$11.1 billion, an increase of 7 per cent. A 93 per cent increase for individuals and 7 per cent for corporations.

Mr. Turner (Vancouver Quadra): Even after reform.

Mr. Garneau: Do you think that is fair?

[Translation]

Do you think it is fair to have a 93 per cent increase in revenues coming from individuals and an increase of only 7 per cent in revenues coming from corporations?

Mr. Speaker, let us look at the consequences for individuals, one by one. The Minister did not spare any expenses, he has a lot of paper to advertise. The figures given, Mr. Speaker, reflect the impact of the three Budgets tabled by this Minister of Finance, 1985, 1986, and 1987. I already mentioned those figures in the House during the Budget debate and nobody challenged their validity.

If you take a married man with an income of \$15,000, whose wife stays home to look after their two children, for this man the last three Budgets mean an increase in taxes of \$489 in 1987. That is the cumulative result of the three Budgets. Let us look now at what it will be after the fiscal reform, in 1988. To give you an example of how devious those documents are, they give as one figure the benefits for both federal and provincial income taxes.

It is then very difficult to compare, but the Minister cannot claim that he is lowering taxes that are not his.

That person whose taxes have gone up \$489 in three years, will see them decrease, after the fiscal reform, by \$270. In short, his taxes have gone up for three years, but now he is given some slack, he gets an electoral break of \$270.