

The Budget—Mr. Young

year being taken away from those families. Even under so-called tax reform introduced by the Minister last year, the average family will still be paying more than \$1,000 more in taxes under this Government than it did prior to 1984. While low and middle-income Canadians are paying more taxes, there are also people at the high end, 2 per cent of the population, who will actually be paying less than they were prior to 1984.

• (1750)

You will also be interested to know, Mr. Speaker, that some 60,000 profitable corporations will continue to avoid paying any tax despite the tax reform package that was introduced last year. Large corporations in particular are able to use tax incentives to the greatest advantage to reduce their tax loads to absolutely nothing. For example, Xerox Canada, Brascan and Alcan Aluminum paid no taxes at all in 1986, while Cadillac Fairview, Hudson's Bay Co. and Bramalea did the same in 1987. All of these corporations made millions of dollars in profits.

I wish to take Hon. Members back to the first Budget and the subsequent Budgets of the Government and deal with the impact that they had on an average family of two with two children which earns \$35,000 per year. For example, the November 1984 Economic Statement, which was not classed as a Budget but which had the same effect, increased oil and gas prices by \$100 per year for this family of two. It increased unemployment insurance premiums to \$102 per year and sales taxes by \$150 per year. As a result of that one economic statement this family's disposable income declined by \$352 per year.

The May 23 1985 Budget saw the elimination of the federal tax reduction which resulted in a \$100 increase in taxes for this family. There was a modification to indexing which amounted to \$115. There was a cut in family allowance payments amounting to \$22.50. Taxes on cigarettes and alcohol increased by \$75 per year. The sales tax was broadened, which amounted to an increase in taxes of \$150 per year. The gas tax increase in that Budget resulted in an increase of \$50 per year. All these increases amounted to a \$512.50 reduction in the disposable income of a family with an annual income of \$35,000.

On June 27, 1985, there was an increase of 1 cent per litre on gasoline which was to pay for the Government's backtracking on the proposal to deindex old age pensions. That increased taxes by \$50 per year for this average Canadian family about which I am talking.

In the February 26 1986 Budget there was a 3 per cent surtax which amounted to a \$170 increase in taxes for this average family. Sales tax increases accounted for an increase of \$150, while an increase in cigarette and alcohol taxes added another \$20. This Budget caused this average Canadian family a decrease in its disposable income of \$340 per year.

On September 18, 1986, the Government slapped another \$50 on Canadians for gas tax increases. It broadened the sales tax base, which amounted to another \$15. Cigarette and air ticket taxes went up by \$35. All these increases accounted for an increase in taxes of \$65 to \$100 on the family about which I am talking.

On June 18, 1987, under the Government's tax reform package there were changes in tax categories which meant a reduction of some \$310 for this family. Tax increases effective February 10, 1988, saw the gas tax increase by 1 cent per litre for an additional \$50.

The Government is nickeling and diming Canadians to death. It can argue all it wants but there is no way that it can convince me that Canadians are much better off in 1988 than they were in 1984. Canadians know that they are not.

I would now like to illustrate what the Government is allowing the richest element in Canadian society to get away with. I have some figures with respect to this for the year 1986. On profits totalling \$220 million, Alcan Aluminum received a tax credit of \$32 million from the Government. In 1986, on profits totalling \$187 million, Brascan received a tax credit of \$2.3 million. Hees International, on profits totalling \$117 million, paid no taxes at all. Power Financial, on profits of \$132 million, received a tax credit of \$1 million from this crew. On profits totalling \$115 million, Xerox Canada received a tax credit of \$10.8 million. Total Petroleum, on profits totalling \$40 million, received a tax credit of \$2.2 million. On profits totalling \$70 million, Wardair paid no taxes at all. On profits totalling \$39 million, PWA paid no taxes at all. Repap Enterprises on profits totalling \$34 million, paid no taxes at all. Union Carbide Canada, on profits totalling \$28 million, paid no taxes at all.

The following figures are with respect to the year 1987. On profits totalling \$51 million, Bramalea paid no taxes at all. On profits totalling \$95 million, Cadillac Fairview received a tax credit of \$12.4 million. Carena-Bancorp, on profits totalling \$37 million paid no taxes at all. On profits totalling \$50 million, Hudson's Bay Co. received a tax credit of \$15.7 million. Seco-Camp, on profits totalling \$43 million, paid no taxes at all.

In contrast with those figures three weeks ago, the Minister of National Health and Welfare (Mr. Epp) made a grand pronouncement in Winnipeg that he was about to increase the funding for the New Horizons Program for seniors up to a total of \$15 million annually by 1989-90. What the Minister did not talk about is what the Government has done to senior citizens under the New Horizons Program since it came into office.

In 1984, when the Government was elected, the Budget for this program was \$17.3 million. In the next year this same Minister who now wants to increase the Budget to \$15 million cut the funding by \$5 million. In 1986, New Horizon Programs were being funded to the tune of under the \$10 million