

*Excise Tax Act*

those who earn relatively little as compared with those who earn a lot.

If somebody is making something in the order of \$10,000 a year, the regressive tax increases which have been provided by this Government would hit him to the extent of 11 per cent.

However, if somebody is making \$40,000, it hits him to the extent of 7.7 per cent. And if somebody is making real money, it probably will not be noticed at all, because it is not going to amount to much more than 4 per cent. That is what a regressive tax means. It means that a higher proportion of the wages of the poor and the middle class is paid in the form of taxes because when they make the purchases of those things they need—and I am not talking about a cabin on the lake. I am not talking about a yacht. I am not talking about a Cadillac. I am not talking about a BMW. I am talking about the ordinary necessities of everyday life. If somebody is making \$10,000 a year, that is 11 per cent of what is spent, because just about everything is going to go on consumption taxes.

Then we have this piece of legislation which we are dealing with this evening, Bill C-20. That adds even further to the burden. Depending on whether you smoke a lot or drive a lot, you will be paying an additional \$500 to \$700 more in consumption taxes, in sales and excise taxes. That means a total of an additional \$1,500 for that average family of four which I was talking about. That is supposed to be fair?

This is being imposed upon the poor and the middle class. They just do not have the power, the influence, the newspapers, the editorial columnists and the accountants to protect them. So long as that is true, governments like that across the way and Liberal governments before who started this business will get away with it unless people begin to realize that they are having it socked to them. They had better be getting so mad that they are not going to take it any more. I am sure that the evidence is mounting to the point where the people in Canada are not going to take it any more. They are not going to have this money stolen out of their pockets to benefit the few, while nothing is done to improve this country as far as they are concerned in terms of their security and jobs for their children.

**An Hon. Member:** They are all going to vote NDP.

**Mr. McCurdy:** The hon. gentleman over here said that they are all going to vote NDP. There may be some changes in the winds of Canada such that ordinary people are not going to take this any more. They are not going to be the constant source for every little increment in taxes intended to spare the burden on those who have already got too much.

Listen to the litany of new taxes. Can you imagine this, Mr. Speaker? The Government is going to increase the tax on construction materials and equipment from 8 per cent to 9 per cent. We desperately need more taxes on construction materials. We need to increase the cost of housing. That is dreadfully necessary. That is a significant contribution to the welfare of the economy.

The Hon. Member across the way thought it rather peculiar that the Member for Kingston and the Islands was criticizing the increase in the sales tax on alcoholic beverages and tobacco products. However, there is something, I suppose, to be said about taxing the sins of the people. One might say, however, that the Government is making life so difficult that even with the increased tax they may be pushed in the direction of paying that extra money just to get some surcease from the sorrow imposed upon them by this Government.

Let us go on. An increase in the sales tax on telecommunications from 10 per cent to 11 per cent. I understand from the comments of the Member for the Yukon (Ms. McLaughlin) that this alone will cost something in the order of \$4 million additional in the Yukon. We have no estimates of the increased costs for long distance calls for those who live in rural communities who are dependent upon long distance telephones for communication. Who is going to pay? The great mass of ordinary Canadians will pay a far higher percentage of their incomes in paying for that than will those who this Government represents.

The Government is going to increase the sales tax on all goods from 12 per cent to 13.5 per cent. There is to be two increases in the excise tax on gasoline. One cent a litre now, one cent a litre later. That is a really popular tax in Windsor. We like the idea of it costing more to drive automobiles, so we sell fewer of them. That is a good idea, too. Yes, this Government is full of good ideas, good ideas which generally affect those who have the least power and those who cannot respond to the influence of those who want to maintain positions of wealth. I know, Mr. Speaker, that you are going to say that we have a deficit. That is true. We have a deficit. I