

What about the increased excise tax on gasoline, totalling some five cents a litre, between the September 3, 1985, to the April 1, 1988? Here we have an increase of over \$2 billion. In a country like Canada, obviously for most Canadians it is essential to drive a car. They cannot write it off as some kind of business expense, like many of the top 1 per cent, who, the statistics show, will be the only ones really benefiting from this Tory tax reform.

What a contrast the way individual Canadians, middle and lower-income Canadians, are treated by this Conservative Government through this tax reform legislation with the way the larger corporations are going to be treated. Even after tax reform, some 60,000 profitable corporations will still pay no tax. Yes, the number will be reduced from 100,000 to 60,000, but 60,000 will still pay no tax.

Even after the implementation of a minimum tax, 5,220 taxpayers who earned over \$50,000 did not pay one cent of tax in 1986. There is nothing in this Conservative tax reform legislation that cures that serious defect in the Conservative approach to so-called fairer taxation in this country. There is no doubt about the Conservative approach to tax reform. What a contradiction in terms to call this legislation tax reform. There is no doubt that it is to the detriment of middle-income taxpayers and small businesses.

I think it is clear from what I have just said and from the facts that I have put on the record why, when the next election comes—and I believe it should be very soon—the bulk of people in this country, middle and lower-income Canadians, will say no when asked whether they approve of the Conservative Government, especially in its approach to fair taxation. What the Conservative Government is trying to do through this legislation for middle and lower-income Canadians is definitely not fair for them.

Look at what the Institute for Research on Public Policy said in a recent study, as reported by Brian Bannon in *The Windsor Star* for Monday, June 27:

In fact, middle-income individuals who see their take-home pay increase after July 1 are really no better off when compared with 1984.

The Institute for Research on Public Policy, an Ottawa-based think tank, says that tax increases imposed since the Conservative federal government took over in 1984, took away more than tax reform gives back.

This is a confirmation of the point I made at the beginning of my remarks. On behalf of middle and lower-income Canadians, I say that this is not tax reform. This legislation is a gigantic tax scam at the expense of millions of middle and lower-income Canadians who deserve better from this Government, and they are not getting it.

Mr. Les Benjamin (Regina West): Mr. Speaker, I hope I get a chance to speak on this Bill three or four times. I have a couple of hours' worth of material which will have to be put into 10-minute speeches, which will not be easy.

I want to say that all this Parliament has to do—starting tonight—is blow the dust off the Carter Royal Commission on taxation of 1966. For the ensuing two or three years, when the

Income Tax Act and Related Acts

Government of that day refused to act, Mr. Carter, like Mr. Justice Emmett Hall, finally got angry and went public. The tragedy is that he died of cancer before his intervention in the public domain. He was unable to have the time to force the Government of that day to implement real tax reform, that a buck is a buck and no matter how you earn it, it is taxable.

He called for—and many others have called for, including members in all the political Parties—some fundamental changes to the tax system in this country.

I listened to the Hon. Member from Edmonton a few minutes ago who dredged up mythology, falsehoods and inaccuracies from 30, 40 and 50 years ago which I thought had been so thoroughly discredited that nobody, not even a Conservative, would have the gall to even raise them again. He talked about depopulation in Saskatchewan, under the CCF. Under Conservative and Liberal Governments in that province from 1923 to 1944, we lost 400,000 people. In the equivalent period, under Tommy Douglas and the CCF, we regained more than half of that number. Then, under 11 years of Al Blakeney, our population got back up to the million mark.

No matter what the numbers are, the point is that we have always had a different social regime in our province. Even Liberals and Tories did not dare abolish programs that we have started. They have nickelled away at them, they have undermined them, they have reduced their effectiveness, they have increased the cost to consumers, but they have not dared to do away with them. It would be political suicide for them to do so, and they know it.

The costs of services that the people of Canada need and want have to be shared equitably by every taxpayer, no matter who they are or what their station in life is. Those below the poverty line must be totally exempt from the tax system. The only way that you get them to the position of paying some of their share of taxation—which they would like to do if you could get them to an income level where they would be willing and able to—is to put them to work and provide them with the services that every Canadian needs, rich or poor.

Every one of those services paid for through our tax system is shared by everyone. It is what we like to call a co-operative commonwealth. Taxes paid for services like drugs and senior citizens, housing and chronic care beds and air ambulances and telephones and power and automobile insurance and a host of other things, are essential public services. They are not businesses; they are services. I include the Post Office in that. It is not a business; it is a public service.

● (1850)

There are no taxpayers in this country, no citizens that I have ever heard of other than someone from the Chamber of Commerce, or from the Tories, who complain about the deficit in the Post Office. The deficit is shared by all taxpayers in the country. Their first priority is service. It should not only be priority post, it should be priority service.