

[English]

At least, after all these months, they have finally pinned their Tory colours to the mast. There are a few seductive ideas for the boys on Bay Street.

[Translation]

In addition, there is an avalanche of unfair and regressive taxes which will fuel inflation and increase unemployment. Well now, where are the jobs promised by our Prime Minister?

**Mr. Chrétien:** None!

[English]

**Mr. Johnston:** Over the last eight months, I have come to the conclusion that the Prime Minister is a disciple of that legendary circus master, Phineas T. Barnum, who said that there's a sucker born every minute. Judging by the applause we have heard from the Tory back-benchers tonight, he is right in so far as they are concerned. However, there are no suckers on this side of the House and there are no suckers among the Canadian public.

The Minister of Finance is following the counsel of that army field commander who decided that he had to destroy a town in order to save it. The Minister of Finance is telling us that he will destroy the economy in order to save it.

We have been treated to months and months of consultation and an economic summit meeting. We all want to know who was consulted who recommended this enormous tax on middle-class and lower-income Canadians. Who were they? Can the Minister prepare a list telling us with whom he consulted? Incidentally, I am going to get the Minister of Finance a calculator. Perhaps he could tell us who recommended, by my calculations, total tax increases, personal, sales and excise, of \$1.17 billion for 1985-86. Next year they will be \$4,300 million. I must admit that in making these calculations, I have taken out the capital gains reference.

[Translation]

And I would like to inform the House and especially the Prime Minister who knows my riding very well, that the people in Saint-Henri-Westmount are not much affected by the capital gains exemption. However, they are affected by other taxes which are a very real burden: the excise tax on alcoholic beverages and tobacco products, taxes on candy and confectionery goods, pet food, soft drinks, antiseptic creams, lotions, soap, bandages, wood stoves, and so forth.

[English]

We now know that Tories hate dogs and children. They are putting a sales tax on pet food and a tax on children's candies.

*The Budget—Mr. Johnston*

This is a massive tax grab. Worst of all, as the Minister of Finance himself said a few weeks ago, it is very inflationary. There will be a temporary surtax on the middle class, a tax on fuel of two cents a litre, and no minimum tax on the salaries of the \$500,000-per-year bank presidents of whom the Prime Minister so often reminds us.

In concluding these brief remarks, let me just say that this Budget tramples on the middle-class Canadian and hurts the poor with its progressive taxation on sales taxes. It has buried the unemployed.

[Translation]

Mr. Speaker, before concluding my remarks, here is another example: a married couple living on one salary and with two dependent children below the age of 18, with a family income of \$20,000, pays \$175 income tax. That is what it says in the paper I have here. If we add sales tax, the excise tax on alcohol and the tax on fuel, it adds up to \$350 a year, at least, for this family. Mr. Speaker, this is incredible and it is appalling!

[English]

I will say more about this tomorrow, but I want you to know, Mr. Speaker, in case you are interested in attending tomorrow's debate, that the deficit reductions through savings are a fraud for the most part. There are no five-year projections. It is not possible to make projections; yet we are told that there will be \$20 billion taken off the deficit annually in 1990-91. That is political arithmetic in the extreme.

There is a lot of wishful thinking in that Budget. I must say that we on this side of the House will fight tooth and nail for the benefit of those Canadians who see themselves literally savaged by its provisions.

If I may, I now move, seconded by my colleague, the Hon. Member for Saint-Maurice (Mr. Chrétien):

That the debate be now adjourned.

**Mr. Speaker:** Is it the pleasure of the House to adopt the motion?

**Some Hon. Members:** Agreed.

Motion agreed to.

**Mr. Speaker:** Pursuant to order made Monday, May 13, 1985, this House stands adjourned until tomorrow at eleven o'clock a.m. pursuant to Standing Order 2(1).

On motion of Mr. Johnston, the House adjourned at 6.07 p.m.