• (1610)

[*Translation*]

Mr. Pierre H. Vincent (Parliamentary Secretary to the Minister of Finance): Mr. Speaker . . .

M. Rossi: It is no longer interesting, I am leaving!

Mr. Vincent: Such comments show that the Opposition is afraid to hear the plain truth.

Mr. Speaker, I have been listening to the debate on the Budget since it has been tabled and when I hear what Hon. Members opposite have to say, and I have just heard the Leader of the Opposition (Mr. Turner) speak, it strikes me that the Opposition has not made one single positive comment on the Budget, on what the Government has achieved over the last three and a half years. Not a single one. And this same Leader of the Opposition who prides himself on being fair, honest, open to all Canadians, does not even have the decency to recognize what this Government has done over the last three years and a half. Mr. Speaker, that is what is called speaking from both sides of one's mouth. And in Trois-Rivières, Mr. Speaker, people do not like that!

The Leader of the Opposition said earlier, as he had said before, that we had increased personal income tax by 68 percent since we came to power.

Mr. Speaker, as you well know, numbers can be made to say anything. I will simply say that according to his method of calculation he increased taxes by 76 percent during his years as Minister of Finance.

Mr. Speaker, once again according to his own calculations, it is clear that he is juggling with numbers. And it is no secret, Mr. Speaker, that that is what the Liberals did for 20 years. There is a reason why we found ourselves burdened with a $200 billion national debt and a $38 billion deficit in 1984. A deficit we successfully reduced by $10 billion—that is right, $10 billion—in three years.

And how did we manage this? Again, the Leader of the Opposition says we increased taxes by I do not know how much, $22 billion or $24 billion. And his backbenchers who never have anything to say and remained silent when they were in office now act tough and dare say it is true.

Mr. Speaker, they should have made themselves heard when they were in office instead of sitting on their hands.

Mr. Rossi: Ask your organizer what he thinks of you!

Mr. Vincent: Look how mean one can be, Mr. Speaker.

Talking seriously and not about those Liberal backbenchers who never do anything, we have reduced the deficit by $10 billion in three years and part of that reduction comes from the tax increase we have all been subjected to.

But the bigger part of the deficit reduction, that is 80 per cent, Mr. Speaker, comes from two sources: from cuts made in the governmental system and also, something the Leader of the Opposition overlooks entirely, from something called the creation of more than a million jobs. There are a million people who are paying taxes instead of receiving unemployment insurance. That is how we get to have supplementary revenue and how we have succeeded in lowering the deficit. But that is ignored. The Opposition counts that as rubbish.

But that is not rubbish, it is the reality in 1988, when we look at the Budget and especially the tax aspect of what was tabled with the Budget, the rules concerning associate corporations.

Mr. Speaker, what a trick many corporations were using, something like the scientific research tax credit that we terminated.

Although the Liberal Opposition regularly blames us for taxing low income people and not taxing corporations, for three and a half years, under the leadership of the Prime Minister (Mr. Mulroney) and the Minister of Finance (Mr. Wilson), we have been plugging the majority of loopholes in the Income tax Act. This was one, and we closed it.

We also dealt with corporate control, which made it possible to use lower corporate tax rates.

Concerning personal income tax, concerning child care expenses, the level was $2,000—we raised it to $4,000 without setting a maximum, because there was an $8,000 ceiling. That used to be the rules under the Liberal Government. We changed that! A couple earning less than $16,000 can now get $559 a year per child in refundable tax credit, plus $100 in 1988 and $200 in 1989, if no child care expenses were claimed.

The seizure powers of the Department of National Revenue have been changed in order again that Canadian taxpayers do not have to suffer when a seizure is made without notice.

The sales tax has been changed to make it more consistent with the realities in 1988, while keeping in mind there will be a second stage in which major changes will be made.

I was mentioning earlier, Mr. Speaker, that in 1984-86 the deficit, that is as you know the amount of money the Government spent in excess of its revenues during a given year, was $38 billion. This year, Mr. Speaker, it is down to $29 billion. This means that over three and a half years, we succeeded in reducing by $10 billion the Government's annual expenditures.

The leader of the Official Opposition stated earlier the national debt has increased. That is true, Mr. Speaker, it has increased. The level was $200 billion when we came to power. But who was responsible for raising it to $200 billion. Certainly not us, because that was the level we found when we were elected to power.

It is important to emphasize, Mr. Speaker, that the level of the national debt had increased 150 per cent from 1980 to 1984. That is really something! Speaking of percentage, that one is hard to beat! Under this Conservative Government, for the first time since 1945, we have been able to reduce the