For the Government to suggest that complex and technical measures of this kind would have been appropriately referred to an *ad hoc* legislative committee rather boggles the mind. In the same way, for the Minister to come in with the Bill on the last day the House is sitting and ask for rapid passage of a Bill with such complex measures also rather boggles the mind.

Of course we are prepared to facilitate the Government and let the Bill be referred to committee this evening, especially now that we know it is going to a specialized committee.

• (1910)

Let us look at some of the measures that are included in this Bill, measures that go back to the February 18, 1987 Budget. Somehow these measures have become urgent at 7 p.m. on June 30, the last day for the House to sit. No similar urgency has been shown since February 18. We have measures here that deal with the special tax on corporations that distribute surplus to their shareholders as proceeds of disposition of shares. We have new rules relating to retirement compensation arrangements, rules which should be discussed carefully and on which witnesses should be called. We have new rules to give effect to certain tax treaty provisions which allow for tax deferral in Canada.

Particularly important, we have here the rules relating to the acceleration of the remittance of source deduction, that is, the compulsory deductions from salaries for Canada Pension, income tax, unemployment insurance and the like which instead of being remitted monthly, as a result of the February 1987 Budget, must now be remitted fortnightly. That is smoke and mirrors for the Government which will have the effect once only of decreasing its deficit by a billion, making Government figures look better because of an advance payment.

In this Bill before us, Madam Speaker, there are also quite heavy penalties for employers who do not remit. There is the possibility of garnishee. There are a number of serious measures here that require serious attention by a committee that requires witnesses to be called. For the Government to try to smuggle this measure in in the last hour of the last day of this House is not very responsible.

This Bill also makes the 3 per cent surtax announced in February, 1986, permanent. While we knew that the surtax was permanent, we have proof in this Bill. Perhaps here, in order to set the context, it may be useful to look at the astonishing amount of taxation that has been imposed on Canadians since the Government came to power.

In 1984-85, if we add up the income tax on individuals and sales tax, we find an astonishing $36.8 billion, which amount is expected to grow in 1988 to 1989 to $59.1 billion. Look at the effect on families with young children. For a married couple, two wage earners, two children earning $15,000 a year, their total tax increases add up to $470 for the tax year 1987. For a married couple, two wage earners, two children, earning $30,000 a year in the year 1987, they will pay an additional $966.

Where have all these increases come from that bear on individuals? We had partial deindexation in the 1986 taxation tax year. We have seen the 3 per cent surtax on all taxpayers which was effective on July 1, 1986, the temporary surtax on high income individuals about which perhaps we do not have to be too concerned, but we have seen the elimination of the federal tax reduction which was effective in the 1986 tax year on middle and low-income earners and have seen changes to the marital exemption for the year of marriage in the 1986 tax year and the elimination of the Registered Home Ownership Savings Program effective May 22, 1985.

As well as that is the astonishing load after load of sales tax increases: 1 per cent increase in the rate October 1, 1984, a further 1 per cent increase in the rate January 1, 1986, and a further 1 per cent increase in the rate April 1, 1986. The sales tax base was broadened July 1985 and it will be again tomorrow, July, 1987. Sales tax was moved to the wholesale level May 1, 1987. We have seen tremendous increases in excise taxes and so on and on.

I mentioned earlier the question of the early remittance of the compulsory deductions. This particularly hits small businesses. It also hits municipalities and municipalities have suffered considerably at the hands of this Government. The excise tax on fuels is increasing the cost of transportation. The increased sales tax is putting the costs up for municipalities. The additional remittances fortnightly instead of monthly are increasing the paper burden. So you have cities like Toronto saying that as a result they may have to increase property taxes very substantially, something which is harder on the lower and middle-income family earners who are just barely getting by paying mortgages.

Against all of this background of loading taxes on low and middle-income earners, we find that the Government has slid into Bill C-64 measures on the international banking centres which might more properly be called the bankers' relief act.

We find that the bankers who have not asked for it are about to be given tax gifts that may go up to $100 million a year. The Standing Committee on Finance, Trade and Economic Affairs advised against the establishment of international banking centres as proposed by the Government because the measure, as proposed, is unlikely to create jobs or increase banking activity in Canada unless the Government also moved on withholding tax. The IBC proposal is limited to loans and deposits. Profits from securities, trading, letters of credit and foreign exchange operations will still be taxed. The banks did not request this legislation, but the legislation could result in up to $100 million annually in tax savings for them and tax losses for the Crown. One witness, a tax expert in banking taxation whom we had before the finance committee said: