

minimum tax on every Canadian earning over \$50,000 a year. The Government also promised a minimum tax during the election campaign, but it has given only some options in this Budget. It has provided for some further study but not any realistic commitment.

The Budget hits the poor, the weak, the elderly and the disadvantaged. It does so in a sneaky, underhanded, ruthless and gutless manner because the tax increases are not up front. The Prime Minister and the Minister of Finance said categorically that there would be no tax increases. Yet the Government has handed Canadians the most massive tax bill in recent Canadian history.

The Minister of Finance agrees with me that hidden taxes are wrong. Here is what he said as quoted by the Canadian Press on August 8, 1984. These are the Minister's words. He was then the critic for another portfolio. He said:

● (1600)

I think taxation which is automatic, taxation which sneaks in without a politician having to say, "this is what we're doing, this is why we're doing it, and be prepared to take the flak that comes from it is wrong.

He went on to say:

Responsible government means that when you want to increase the taxes, you say you're going to increase the tax and you make it quite clear why you're going to increase the tax.

The Minister has not done it. He has repudiated his own words and brought in the most massive, secret, hidden tax increase in the history of this country.

Some Hon. Members: Oh, oh!

Some Hon. Members: Shame!

Mr. Turner (Vancouver Quadra): He begins with de-indexation of old age pensions. I want to tell the old age pensioners of this country what is happening in this Budget. By taking away de-indexation from those pensions up to 3 per cent every year pensions will be reduced by 3 per cent, year after year after year cumulatively.

Mr. Siddon: No.

Mr. Turner (Vancouver Quadra): That is exactly what the Budget says.

Some Hon. Members: No.

Mr. Turner (Vancouver Quadra): Yes, read the documents. We have a lot of squirming Conservatives on the other side of the House who have not read the documents, Mr. Speaker. There are approximately 1,740,000 senior citizens in Canada at or below the poverty line. De-indexation plus tax increases means that old age pensioners will lose roughly \$1.25 billion in income by the year 1990. Those are figures derived from the Minister's own documents produced by my colleague, the Hon. Member for Laval-des-Rapides. Those are the documents upon which the Minister of Finance is relying himself.

Mr. Siddon: Pensions will not be reduced.

The Budget—Mr. J. N. Turner

Mr. Turner (Vancouver Quadra): Those documents have not been denied by the Minister. They were not denied by his officials in the lock-up.

The 80-year old widow trying to make ends meet will see a reduction in her income by 1989 of \$30 a month in real terms. She will have to pay more under this Budget for health care products. She will even have to pay more for her cat food, more for her soap and her shampoo.

Some Hon. Members: Oh, oh!

Mr. Turner (Vancouver Quadra): They laugh. Members on the other side do not know what it is like to count every penny to know if you have enough to pay for soap, shampoo, let alone to feed a pet. The Minister did not tell the 80-year old widow that in this Budget that is what she will have to do. He did not tell her that \$360 a year is going to help provide the owner of her apartment building with a \$125,000 cash bonus in a capital gains tax exemption. She will have little money for soap, shampoo and basic health care, but the owner of that apartment building will be able to invest in Miami real estate.

You know, Mr. Speaker—

[*Translation*]

—he is eliminating the first 3 per cent of indexing from senior citizens' pensions, and as if this further violation of an election promise was not enough, the Hon. Member for Brome-Missisquoi (Mrs. Bertrand) told the newspaper *La Presse* today that it was up to the people to judge whether this promise was so vital to the survival of our senior citizens. You know—

[*English*]

In his book *Where I Stand*, the Prime Minister said the following about indexation of pensions. On page 19 we find:

It should become a priority to reduce and eventually eliminate and outlaw indexed contracts and benefits, including indexed pensions, in line with a decline in inflation—Clear and justified exception should be made for mothers' allowances and all other social programs designed to protect the ordinary or disadvantaged Canadian from the ravages of inflation for which they are not responsible.

That is where the Prime Minister stood. Where does he stand now after all that talk about sacred trust and longstanding commitment? Canadians can be forgiven for asking the Prime Minister, "We knew where you stood when you wrote the book. Where do you stand now?" It is certainly not where he stood during the last election campaign.

Let us turn to family allowances and the child tax credit. The net result, based again on these documents of the Department of Finance, is that some \$300 million less is available for families by 1990. This reduction hits hardest at the people who need help the most, young families, single parents, and every year that family allowance, now de-indexed up to 3 per cent, goes down 3 per cent, after 3 per cent, and all cumulative.

Let me come to the matter of de-indexing the income tax system. By de-indexing the tax bracket 3 per cent after 3 per cent year by year, which accumulates, again by the Minister's own documents, by 1990 families with incomes of \$15,000 a year will see their taxes increase by 36 per cent while families with \$30,000 a year will see their taxes increase by 11 per