

Excise Tax Act

Speaker, and I think that Canadians will reject this Government once the Prime Minister has the courage to call an election.

[English]

Mr. Redway: Madam Speaker, I was fascinated by the Hon. Member's comments, particularly as they refer to myself. I was particularly interested because I was not aware that the Hon. Member even knew that I was in the House these days. However, I seem to have hit a nerve. As a result of that, I would like to pose a question or two to the Hon. Member.

● (1620)

The Hon. Member referred to a number of items in her comments. She knows that Canada faces a lot of problems, many of which were created by her Party when it formed the Government.

One of those problems in particular is the deficit. Many of the comments she made obviously referred to efforts of the Government to deal with the deficit, which would be approaching some \$40 billion a year at the present time if action had not been taken by this Government. The deficit has been reduced by some \$10 billion a year.

Does the Hon. Member and her Party want to see the national annual spending deficit of Canada reduced? If so, is it her position and the position of the Liberal Party that that deficit should not be reduced by raising taxes? Is she prepared to say now that the Liberal Party would not raise taxes if it formed the Government?

In conjunction with that, is she prepared to say specifically what expenditures would be cut back by the Liberal Party—in fact it is interested in reducing the deficit—in order to reduce the deficit by \$10 billion as it has been reduced on an annual basis in the last three and a half years?

Will the Hon. Member answer those questions? Does she and her Party support deficit reduction? If so, will she give us a commitment today that if and when her Party forms a government again in this country they will not raise taxes, unlike her provincial colleagues in Ontario where she served previously? Will she also tell us specifically what government expenditures would be cut by the Liberal Party in order to reduce the deficit by some \$10 billion a year?

Ms. Copps: Madam Speaker, herein lies the difference between the Conservative and Liberal Parties. The Liberal Party is not prepared to make promises that it cannot keep.

Some Hon. Members: Oh, oh!

Ms. Copps: During the 1984 election, the Leader of the Liberal Party, who has integrity and is accepted as an honest person across Canada, did not travel from St. John's, Newfoundland, to Chilliwack, British Columbia and tell people that he would keep taxes down and reduce the deficit at the same time.

The person who made that promise was the Leader of the Conservative Party. He tried to talk out of both sides of his mouth.

In fact, the Leader of the Liberal Party said quite bluntly that if the deficit is going to be reduced, he cannot make the promise that taxes will not be increased.

Consider the situation in the City of Toronto from the point of view of the Minister of Finance. The Government is telling Canadians that it is introducing fairness in tax measures. Yet for the first time it is slapping a tax on a single mother living in the Jane Finch area who is earning \$15,000 a year. She is paying tax for the first time, while those wealthy enough to be in the top two per cent of the population and can accrue \$500,000 in capital gains can get a tax holiday. Most of my constituents do not even know what a capital gain is.

The Government talks about tax fairness. Where is the fairness in a policy that offers a write-off to someone in the top 2 per cent of the population while telling a mother in the Jane Finch area that she must pay taxes?

The Member stood up in response to my direct challenge to him, but he did not answer my question. While I say, more power to the Member for calling for reintroduction of the Registered Home Ownership Savings Plan just in advance of the economic summit, and only in the City of Toronto, where was he when the opposition Parties were in the trenches fighting the Government's decision to withdraw the RHOSP? Where was the Member when the Government doubled the guarantees that were forced on home owners who want to get CMHC insurance? The Government introduced successive Budgets in the interest of so-called deficit reduction, which did not translate into actual dollars. Where was the Member when the Government increased the sales tax on building materials that directly translates into increased cost of housing in Toronto?

The Hon. Member was standing on the sidelines, telling the Minister to go ahead and reduce the deficit on the backs of poor Canadians so that wealthy Canadians can get a half a million dollar capital gains write-off.

If the Member is serious about his intent to see a reintroduction of the RHOSP, he should throw off that Conservative yoke and join a real Party that will fight for working people, instead of the hypocrisy of the Conservative tax policy.

Mr. Orlikow: Madam Speaker, the Hon. member criticized the Conservative Government for the increase in taxes it has imposed on most Canadians. There are two groups of Canadians whose taxes have not been touched.

One group is that of wealthy individuals. There are over 5,000 wealthy Canadians who earned more than \$50,000 last year and paid no income tax. There are 250 Canadians who had incomes of over \$250,000 and paid no income tax. Is that not the same situation as existed in all the years the Liberals formed the Government?