

The "truth" about Tory "tax tales"

There are several things wrong with the Harper government's never-ending claims that they are brilliant tax cutters.

To start with, it's untrue.

Their first fiscal decision after taking office in 2006 was to increase personal income taxes. Later that fall, they imposed a toxic new Conservative tax on Income Trusts which obliterated \$25-billion from the savings accounts of two million ordinary Canadians.

More recently, Mr. Harper has increased the overall federal tax burden in each of his last four budgets ? taxing everything from hospital parking fees and cosmetic wigs for cancer patients to local credit unions and job creation.

Conservative claims about lower taxes for families need a scrupulous reality check. For example, MP Lois Brown says that "the average family of four is paying \$3,200 less in federal taxes."

But it all depends on what type of "family" you're talking about.

You can construct an illustration which would fit the Conservative model -- with two parents, two children, a six-figure income and consumer spending of more than \$50,000 every year (including over a thousand dollars for art lessons). But for most families ? in fact, for 70-percent of Canadian families -- this is simply not their reality

The vast majority of middle-class Canadians haven't seen a significant improvement in their real incomes for the better part of 30 years. But their living costs have gone up and debt-loads have ballooned. For every dollar of disposable income, Canadians are carrying \$1.64 in household debt.

Many are concerned about affording post-secondary education for their kids, or having no pension plan at their place of employment, or finding decent childcare or long-term care for their parents. Nearly three-quarters of Canadians worry that their children will not do as well as they have done.

And then there's Mr. Harper's new federal debt burden to take into account. He has run six consecutive deficits so far, adding more than \$165-billion to Canada's overall debt-load.

That works out to \$5,000 in new Conservative debt for every man, woman and child in this country, or \$20,000 for every family of four. Any tax cuts claimed by Mr. Harper are paid for with borrowed money.

So, there is no room to be complacent about the needs of Canada's middle-class and all those striving so hard just to get there.

Ralph Goodale, MP

Deputy Leader, Liberal Party of Canada