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Let the revolt begin

By LINDA LEATHERDALE



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What's wrong with this picture?

A decade ago, Canadian taxpayers demanded governments get fiscally fit and out of debt.

So, Ottawa pledged to pay down debt with the hated GST, that's lifted \$270 billion from our pockets since 1991. And a 1.5¢ hike in the federal excise tax at the gas pumps would wipe out deficits.

Ten years later — Ottawa, and most provinces (except Ontario's tax-and-spend FIBerals) are sitting on sweet surpluses — while the GST, a tax on tax at the pumps, nets a gusher of millions in extra tax revenue with gouging gas prices now over \$1 a litre.

Sea of debt

And where are taxpayers? Drowning in a sea of record household debt, now at \$900 billion and heading to the \$1-trillion mark — while Canadians' savings rate plunged from 9.2% into the negative zone.

And still we're over-taxed, with Tax Freedom Day falling on June 26, meaning struggling families work almost six months of the year to hand over their paycheques to the taxman.

Add in skyrocketing household bills (insurance, home heating, gasoline, property taxes, electricity, and in Ontario a Hydro debt retirement tax, plus GST) — and is it any wonder meagre pay hikes of 2.8% for average workers are just not keeping pace?

For now, cheap lending rates and borrowing against rising home equity values are keeping families afloat. But sooner or later, the house of cards will collapse.

We need a break — a big break!

But no. Prime Minister Stephen Harper tosses us a bone with his promised 1% GST cut, while Ottawa politicians see their paycheques grow fatter.

Salaries for MPs are going up by \$3,400 to \$147,700 a year, while Harper makes twice that at \$295,400.

That puts the Fools on the Hill in the top 2% of all Canadian wage earners. And that's on top of a number of perks, like pumping up their gas allowances by 10% last fall, with an MP now getting \$500 for every 1,000 km. He or she drives.

Harper gets \$2,122 in car allowances. And we can't even get a break from high gas taxes, which eat up 47% of what pay at the pumps — even though Harper promised to axe the GST, if gas prices hit over 85¢ a litre.

Last fall, he also accepted 35,000 gas revolt coupons, demanding a roll back in the federal excise tax and axing the GST.

But here's what's worse:

It's feared in exchange for the 1% GST cut, Harper will undo Liberal income tax cuts, plus lower the basic personal tax exemption so more lower income families will be put on the income tax rolls.

“Stephen Harper cannot hike income taxes,” said John Williamson, federal director of the Canadian Taxpayers Federation. “The new Conservative government is swimming in surplus tax revenues, and that money should be returned to Canadians in the form of broadly based tax relief.”

The surplus could hit as high as \$10 billion when Harper tables his first budget.

Williamson is also demanding that Harper help Canadian families deal with a world oil price shock by cutting high gas taxes by at least five cents a litre.

“That would still leave Ottawa with billions of dollars to spend on roads and infrastructure,” he said.

Bottomline is taxpayers have lost faith and trust. From \$1 billion in HRDC money going missing, to Adscam — and now a Competition Bureau, who finds no price fixing at the gas pumps after Hurricane Katrina, when prices hit \$1.50 a litre, and higher.

Here we have lap dogs. In the States, there are pit bulls, like New York's attorney general Eliot Spitzer who fined 15 gas stations for price gouging.

Getting poorer

Bottom line is tax-paying consumers account for two-thirds of our economic health and wealth. And they're getting poorer — while governments and oil giants are getting rich (the Big Four, Shell, Sunoco, Petro-Canada raked in record profits of \$7.6 billion last year).

“We will never get the oil companies stopped of their toilet seat pricing when the leading example in Ottawa is to help yourself,” said Sun reader Robert Reeson.

Dave Dundas writes, “I’m sick of paying and paying,” while Ron Burns comments, “we have taxation without appropriate representation.

Sean Finan says, “Bring on the tax revolt, Linda.”

So here it is: Fill in the coupon, send it to me, and let’s hit the message home to Harper. A new government is time for change. We need real tax relief.

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 - Have a letter for the editor? E-mail it to editor@tor.sunpub.com