



Gary McHale
 Passionate Leadership
 Standing with the People
Haldimand - Norfolk



Shortage of Family Doctors
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'Transparency in Taxation' Bill

It is a fundamental principal in a democracy that the people should know when and how much they are being taxed. This transparency is what the GST was all about: prior to the GST there was a hidden federal tax at an average rate of 13.5%.

Today there remain dozens of hidden taxes that average people are paying with no knowledge that such taxes even exist:

Example 1: Currently a person earning \$44,900 per year pays \$2094 per year or \$40.69 per week towards the Canada Pension Plan. However, the Government actually receives \$5025 per year or \$96.65 per week for that employee. The difference is a hidden tax paid by the employer that brings total CPP contributions up to almost \$400 per month.

By comparison, to give you an idea of just how significant this amount really is...if you put \$400 per month into a mutual fund RRSP earning an average of 7% per year beginning at age 20, by age 65 you would have an account of \$1,517,038 waiting for you on retirement! Even if you waited until age 40 to begin your RRSP you would still have \$324,029 in your account. At just 5% simple interest, this would provide a monthly income of \$1350.

Example 2: The premiums for OHIP (Ontario Health Insurance Plan) appeared on everyone's pay stub until the government changed it to be a hidden tax. Now, the public has no idea how much they pay for OHIP. For the same employee making \$44,900 McGuinty's hidden health tax system takes approximately \$398 per year buried in the employee's income tax deduction and another \$853 paid by the employer – a total of \$1251 per year.

Democracy demands that the public be informed so they can make decisions and hold government accountable. Hidden taxes ensure that governments are not accountable and allow them to increase taxes without you knowing. Do you not have the right to know, when you buy a case of beer or a litre of gas, exactly how much of the purchase price went to the federal and provincial governments? Do you not have the right to know how much your Canada Pension or Ontario Health Insurance Plan is actually costing you?

Computerized receipts could easily provide the taxpaying public with ready disclosure of the amount of federal and provincial tax they are paying on their purchases. I will, therefore, introduce and lobby for a *Transparency in Taxation* bill which will require every level of government to clearly provide the public the exact amount of taxation on each item with the information, where possible, printed on every receipt.

You have the right to know when and how much you are being taxed. I will do my best to ensure you get this vital information.