

TAXPAYER GUIDE TO THE 2021 FEDERAL ELECTION

Federal Government Debt



Federal debt:
\$1.1 trillion



Debt interest charges this year:

\$22 billion



Debt growth:

**\$424 million
every day**



Your share of the federal debt:

\$30,000

Balancing the Budget

Liberals

No plan to balance the budget. According to the Parliamentary Budget Officer, the Trudeau government wouldn't balance the federal budget until [2070](#) (pre-election trajectory).

Conservatives

Plans to balance the budget within 10 years "without cuts." The Conservative plan hopes a growing economy will balance the budget.

NDP

No plan to balance the budget.

Taxes

Even during the pandemic, the average Canadian family paid about \$35,000, or 36 per cent of its budget, to cover taxes for all levels of governments, according to the [Fraser Institute](#). That's more than what the average Canadian family paid in housing, food and clothing combined.

Liberals

A Liberal government would collect an extra \$25 billion from taxpayers over five years. Tax hikes include:

- Carbon tax to \$170 per tonne (40 cents per litre of gasoline)
- [Anti-flipping tax](#) on Canadian homeowners
- Increasing income taxes on top earners
- Increasing taxes on banks and insurance companies
- No broad-based tax relief

Conservatives

Their tax plan includes:

- Carbon tax to \$50 per tonne (11 cents per litre of gasoline), despite promising to fight carbon taxes
- Explicit rejection of a home equity tax
- Removes escalator tax on alcohol. Taxes already account for about half the price of beer, 65 per cent of the price of wine and more than three quarters of the price of spirits.
- Reimposes the import tariff on personal protective equipment
- Imposes a digital services tax
- Niche tax credits and month-long GST holiday, but no broad-based tax relief

NDP

An NDP government would collect an extra \$166 billion from taxpayers over five years. Tax hikes include:

- Increasing the highest income tax rate to 35 per cent
- Increasing the business tax rate to 18 per cent
- Imposing a wealth tax (\$10 million threshold), which will cost [\\$60 billion](#) over five years
- Increasing the capital gains tax burden
- Imposing an excess profits tax
- Imposing luxury taxes on boats and planes
- Imposing taxes on so-called internet giants
- Imposing a 20 per cent foreign home-buyers tax

Spending

Even before the pandemic, the federal government increased its per person spending to all-time highs in 2018, [according](#) to the Fraser Institute.

The parties have not identified significant savings. For example, all members of Parliament pocketed two pay raises during the pandemic, ranging from \$6,900 for a backbench MP to \$13,800 for the prime minister. Yet, no major party has committed to reversing these pandemic pay raises for politicians.

Liberals

\$78 billion

in new spending over five years.

Conservatives

About **\$50 billion**

in new spending over five years.

NDP

\$214 billion

in new spending over five years.