

Government Orders

We have to get rid of the intertwining of our social and economic programs through the Income Tax Act, separate them and have a system of taxation that collects the amount of money we need to pay for the programs Canadians want, be it child care, be it health care, be it education, or whatever it is they want. It could be a megaproject that we would cut but the government would probably continue. Then we would know what the rate should be. Then we would know whom to tax. Then we would know how much to tax. It would be there for us. It would be within our grasp. It is a system of taxation whose time has come; there is no question.

If we can agree on issues between two nations such as how to avoid double taxation, why do we not look at an internal system that would avoid double taxation within our own country? Why are we being so foolish in keeping the burden and the cost of calculating income tax and in keeping the burden and cost of high taxes?

More bills will be coming up later today and tomorrow that concern excise taxes. Some will be decreased; some will be increased. Bill C-90 will increase taxes all over the place. We do not need that. We need tax reduction, not tax increase. I will be talking more about the flat tax in future speeches, so I will drop the analogy of the good things in Bill S-9.

I see the parliamentary secretary to the finance minister. I am encouraged he is somewhat willing to look at what the flat tax has to offer. He has made no commitments, but it is a start in the right direction because it will benefit all Canadians.

In conclusion, once again I repeat that we are in favour of Bill S-9. However we are opposed to the fact that the government will not negotiate the same type of deals at home as it does abroad. Our government cannot continue to smile at the neighbours, make good deals with them and not make the same good deals at home. It is engaging us in fights at home. The separation fight is all about power. It is all about taxation, who should be taxing and at what levels, and getting rid of the double taxation system and the duplication of services. Why not tell the province of Quebec that it can handle x, y and z, that the federal government will get out of that business and that it can collect the taxes for it? That is something which shows that federalism works, but no, the government would not do that.

• (1335)

People in Canada need change in a big way. As we have seen today, positive change can only come about through bypassing, ignoring or disregarding the Income Tax Act altogether. If we had to continue to abide by the rules of the Income Tax Act to negotiate with other countries, we would not get anywhere because no one would understand it.

We have tax lawyers and accountants in this country who are intelligent and highly educated. They give advice to individuals and corporations and at the end of the day sign a disclaimer: "Notwithstanding all the advice I have given you, everything in here might be true or might not be true. My interpretation should be accepted by Revenue Canada, but if it is not it is not my fault". They do our tax returns. If it is in a grey area, Revenue Canada says: "No, you cannot have that". Then the department charges us and we have to pay. If we do not pay we end up having to pay double interest. A person has more rights as a criminal—and I do not want to go back to Bill C-45—than one who misses the filing date of the income tax return.

The government goes after us. It is arbitrary. It leads to conflict between citizens and the bureaucrats. We do not need that. We do not need the department to be frowned on, to be cursed at, to be sworn at. We can simplify the matter and make it better by having a simple system of taxation that everyone understands. Then we would not have taxpayers fighting the department over appeals, over treatment or over rulings. We do not need that.

In conclusion it is time that we start giving Canadians in Canada the same types of rules and rates governing Canadians outside Canada.

Mr. Nelson Riis (Kamloops, NDP): Mr. Speaker, I was going to let the matter go to a vote but I was encouraged by the previous speaker to say a few words.

It is clear that Bill S-9 is a result of a complex process flowing from a tax treaty signed between Canada and the United States in March 1995. The Senate quickly got on to this important matter in its judgment and decided to give it top priority over a number of other pieces of legislation. As far as the Senate is concerned it requires top priority. The bill passed in May before the summer recess. Now, in the first few hours of this session of Parliament, the government also says that this is a priority. This tax measure has taken priority in Parliament over all kinds of other initiatives.

I can talk about the high levels of unemployment that are not being addressed. I can talk about all sorts of social, economic and cultural issues that are simply being ignored. The government is saying that this is a priority, that we must bring in a tax provision changing the Income Tax Act to benefit basically a handful of the wealthiest families of Canada.

That is what we are talking about. Let us be perfectly clear. This tax measure will not benefit many people in the constituency of Kamloops or the constituency of Okanagan—Shuswap. I could go through the entire country.

The legislation has been written, drafted or designed to assist the financial concerns of a handful of very wealthy Canadian families.

As the Parliamentary Secretary to the Minister of Finance has argued, it is a matter of equity. I suspect that is true in the