

Excise Tax Act

[English]

Mr. Speaker: Prior to giving the floor to the Hon. Member for Laval-des-Rapides (Mr. Garneau), may I inform the House that because of the Ministerial statement, consideration of Government Orders will be extended by 12 minutes this day.

[Translation]

Consequently, the hour set aside for Private Members' Business will begin at 5:12 p.m.

GOVERNMENT ORDERS

[Translation]

EXCISE TAX ACT AND RELATED ACTS**MEASURE TO AMEND**

The House resumed consideration of the motion of Mrs. McDougall that Bill C-80, an Act to amend the Excise Tax Act and the Excise Act and to amend other Acts in consequence thereof, be read a second time and referred to a legislative committee.

Mr. Raymond Garneau (Laval-des-Rapides): Mr. Speaker, when the debate on Bill C-80 was adjourned for the lunch hour, I was trying to show to this House that the Bill would have been unnecessary if this Government, instead of giving so much money to the multinational corporations, the big corporations, had kept that money in its coffers. It could then have avoided the tax increases in Bill C-80.

On Budget night, I indicated in my comments that what it boiled down to was a shower of taxes.

● (1540)

We can already tell Canadian taxpayers they had better take their umbrellas out, because this Bill is the first in a series. It covers all excise taxes, the tax on drugs, the tax on the sales tax increase, indeed its extension, a whole litany of taxes that were announced in the Budget and which, because of their Government's majority, will become law applying to all Canadian taxpayers.

Mr. Speaker, as I said, this Bill would have been unnecessary because in four or five areas only where the Government has taken action, namely the oil multinationals, the capital gains tax, the \$1 billion gift in the Gulf affair to three or four shareholders, and also the problem which resulted from the way the Government assumed its responsibilities in the Northland Bank and the Canadian Commercial Bank affair.

Because of all that, there are almost \$16 billion which over the next few years will come out of, or will not go into the

Government's coffers. And only to cover that kind of expenditures, this Bill is forced upon average families, low-income families with its taxes, and we already know what action the Government has taken with respect to family allowances. All that was done to collect revenues in order to give to the rich, to the most affluent in our society.

Mr. Speaker, this legislation will have a serious impact on quite a number of things, as I said, including regional development. We know that in the case of regional development, we can have natural resources, we can have individuals or groups who will step forward, who by developing their sense of responsibilities, their entrepreneurship, will set up businesses, but those businesses in our regions must face very special conditions.

The first, and perhaps the most sensitive is their distance from the markets. Within the context of this legislation, such distances will impose upon those small and medium-sized businesses, and also the larger ones that have settled in our regions, an additional tax burden, to such an extent that the products manufactured in the Gaspé area, in Nova Scotia, in other regions farther away from large consumers' markets such as Toronto and Montreal, we will be burdening those manufacturers, those businesses, with extra costs that will make them less competitive, less able to compete with others located around the larger urban centres.

Mr. Speaker, in the little time I have left, I would simply like to say a few words on the impact of the tax on another sector, that is the tourist industry. We know the tourist industry is an important one. The tax increases, including the one on fuel, will have an impact because it will increase the cost of driving everywhere in Canada. Mention could also be made of the impact of such taxes on the air travelling public, because people do not use cars only. In a bill that covers 120 pages or so, I can tell you that not many Canadians are spared. Everyone is affected, especially the weak because the strong will be able to compensate by using the \$500,000 capital gains tax exemption they will be given later; eventually, they will be able to make up for this within a few years. In addition, the reverse deindexing of the income tax tables will hit middle-income Canadians harder than those with a higher income.

Mr. Speaker, I would like to close my comments by saying that the economic philosophy of this Government will have extremely negative results. We have been told that a certain number of jobs have been created recently. Mr. Speaker, I had ministerial responsibilities for some time, not at this Government level, but at another, and I have always found that eight or ten months, one year and sometimes longer could elapse between the date when a budget is brought down and the time when its economic effects are really felt. Because, of course, unless a direct subsidy is paid the next day, it takes some time before the whole system is geared up. This is why I find it curious that Hon. Members opposite, after tabling their Budget on May 23 just imagine that—are already bragging