

*Government Orders*

the individual member of our economic society with little tax increases here and little tax increases there and the over-all impact has been significant.

A couple of things that are of considerable concern to me are the agriculture sector and the northern economy. We have to look at not just this excise bill but the possible implementation of the goods and services tax and the other matters that this government has recently been, in a sense, foisting upon the people of Canada.

I particularly, at this point in the evening, want to draw the attention of the members of the House to the people who live in the northern part of Canada, the people who have been living in areas designated for the northern tax allowance. Those areas include substantial parts of northern Saskatchewan, Manitoba, Alberta and British Columbia.

A task force recently reported to the finance minister. This task force recommended very strongly that the boundaries for the northern tax allowance, the benefit program for people who live in northern and isolated communities, be moved north so that we disentitle from that tax benefit a large number of those Canadians in Saskatchewan, Alberta, Manitoba and British Columbia as well as many people in the Atlantic provinces and the northern part of Quebec and Ontario. In Saskatchewan alone, if the recommendations of that task force report are accepted, 150 communities will lose benefits under the northern and isolated posts tax allowance program.

I have called upon the Minister of Finance to reject the recommendations in that report for a number of reasons. These reasons include the fact that the northern and isolated tax benefits program recognized that people who live in these communities have an unfair burden to carry because of their distance from the manufacturing sectors, from the distribution sectors of our country.

• (1840)

I think particularly of people in communities in my constituency who live some distance from those points. They are paying a considerable amount extra as it is for the goods and services they purchase. This bill before us today increases the cost to those people at a higher rate than it would to the people who live in Toronto, Vancouver and Montreal. I think it is going to be tough enough on people who live in Montreal, Vancouver, and Edmonton to pay the extra costs that this excise tax bill

will impose on them. Add to that the burden that is going to be carried when the northern people have to pay the new 9 per cent tax, when that is implemented, and then remove the benefit which equalizes them with the larger urban centres. We see that it is a very disproportionate burden that these people are going to have to pay. These are people who are working, raising families, trying to make a living in communities that are a considerable distance from the large urban centres.

Many of them are there because that is their home, that is where they want to be and that is the quality of life that they want for their children. They are close to other family members and, as a result of the removal of their tax benefits and the imposition of these new taxes, it is more and more difficult for these people to live in the same world and society that is being lived in by those members of the House from the larger urban centres, particularly the Minister of Finance from downtown Toronto. People who live there cannot understand what it is like to have to get up on a 40 below January morning and have to drive 50 miles in order to get to the place where you are going to earn your living that day. It is a situation that I consider to be quite intolerable.

The northern tax benefit program was one that I considered to be not quite as fair as it could be. I have had many opportunities to discuss that program with the chairperson of the northern tax program prior to writing his report. We discussed quite a number of things including the fact that the existing program was unfair to a number of those people in the communities. We were looking at ways to make that program much fairer for the individuals who live there.

I can think of many different scenarios that were presented to the chairperson of the task force that would make the program more fair for those people who living there. Instead, what was it that the task force did? On the advice and direction of the Minister of Finance the task force decided that it had to cut the costs of the government and foist those costs on the people who live in the northern part of Canada. We estimate \$100 to \$150 million will be coming out of the economy from the northern and isolated communities because of the recommendations of this task force report. That will be \$150 million going to the coffers of the government from northern residents all at once and on a yearly basis. I think it is an appalling situation that has to be corrected