

Government Orders

Mr. Silye: I am sticking to the subject a lot more than the previous speaker. I am straying a bit here when I am talking about an agreement with another country.

• (1345)

Once again, when they got elected did the Prime Minister renegotiate as he promised he would? He did not. He passed it in substantially the same form it was in when the Conservatives negotiated it. I find it ironic this government says one thing in opposition and does another thing when in power which means it is still the status quo. It means nothing has changed although we now have a Liberal government instead of a Conservative one.

While we support Bill C-105, there are still a few questions I would like to address. I would like to know why our diplomats abroad can initiate legislation that makes our taxes lower and our tax rules simpler when our politicians will not do the same.

The politicians approach the department heads and say: "We would like to make the Income Tax Act less confusing, less complicated and less convoluted. We would like to make it more simple. We understand it is fair but we would like to make it fair in a way that everybody understands it, and could we not lower spending a bit? Since they are making spending cuts they could pass the benefit to taxpayers". The bureaucrats say no because any time we give up a tax point or two we never get it back, so the answer is no and that is it. That is as far as the politicians go.

Except for the member for Broadview—Greenwood who since 1989 has consistently pushed for a simplification of the taxation system, nobody else over there has as openly, vocally and energetically pursued this topic. I would like to be another one of those people who pushes the government into doing it. To the politicians, do not let the bureaucrats say it will not work. To the finance minister, demand a review of the taxation system to see if it can be changed.

We all know high taxes are an impediment to growth in the economy. Why do we not remove the impediment? Why do we not lower taxes with some spending cuts that the Liberal government is now finally making? It is finally listening to us; it is finally doing something to the benefit of many Canadians. Combine that with a genuine review of the entire taxation system which will then help to create jobs.

The opportunities for gains in the economy by implementing tax reform are tremendous. By not doing it, by not exploring it, those doors remain closed and the opportunity to restore faith, hope and savings for taxpayers are eliminated. That debt will never, ever be addressed by adding to it. We have to get to a zero

deficit, not a 3 per cent of GDP and dig the hole slower. They are still digging the hole and are just adding to the problem.

If we want to get rid of the problem, lower spending, raise taxes to a zero point and the deficit is gone, if that is what the Liberal government thinks is the problem. However, that is not the problem. The problem is the debt and our high levels of taxation.

Diplomats recognize globally that we must have equality, that we need to have the lowest rates of taxation possible to attract investment and capital while reciprocating with other countries by offering them the same deals in our country. They do that. Look through those agreements with the incentives and the opportunities between countries. It is great. It works well for exports and imports. What is saving our economy today? NAFTA. Trade with other nations.

We need to treat each of our provinces, including that wonderful province of Quebec which belongs in Canada and will stay in Canada, the same way we treat other nations. Let us make deals among ourselves, province to province, that eliminate the barriers to trade and introduce treaties. Let us have only one level of government looking after a service. Let us define specifically which level of government should look after which program. Let us get some savings and some gains into our system so we can lower spending thus lowering taxes, so we can remove the impediments to our sluggish economy.

I am trying to make an analogy between the good aspects of trade treaties we are making with other countries. Why do we not use those diplomats instead of the politicians sitting over there in the front row to make our negotiations with the deputy ministers in order to implement the kind of reforms we need in this country? These diplomats do a much better job than the elected politicians because the elected politicians are afraid to stand up to the bureaucracy. I encourage similar actions here at home in the form of tax reform as we find in deals like this.

• (1350)

I hope this is the last fluffy type bill we have before the House and that we can get on with more important bills. As far as I am concerned, Mr. Speaker, you could put the question, put the bill through committee of the whole and then we could debate the health act.

Mr. Jesse Flis (Parliamentary Secretary to Minister of Foreign Affairs, Lib.): Mr. Speaker, it is a great pleasure for me to participate in the debate on Bill C-105, an act to implement a convention between Canada and the republic of Latvia, a