

*The Address*

For more than three years federal politicians, including some members of the present government, have been musing about the imposition of a carbon tax, a tax on fossil fuels which would be cleverly disguised as an environmental levy.

An independent study commissioned by the government last year indicated that a carbon tax high enough to effectively inhibit the use of fossil fuels would adversely affect almost every measure of economic activity, including the gross domestic product, the level of industrial investment, consumer price index and the unemployment rate.

All we need in Saskatchewan is another fuel tax for our hard-pressed farmers. Thanks to taxes, including a 12 cent per litre federal tax, fuel produced and refined in Regina can already be purchased in Montana 50 miles from my home for two-thirds of what I pay.

I mentioned our coal mine. Its entire annual output of 3.6 million tonnes is sold to one customer, the Poplar River Power Station at Coronach. A tax on that coal would increase the consumer cost of electricity not only in Swift Current—Maple Creek—Assiniboia but throughout Saskatchewan.

Meanwhile electricity costs in Quebec with mostly hydroelectric generation and in Ontario with its massive nuclear stations would be scarcely affected. It is the national energy policy all over again but wrapped in the fuzzy green blanket of environmentalism.

I am not day-dreaming. I may be having a nightmare, but I am not day-dreaming. The rumours of an impending carbon tax are persistent and they are consistent with statements made by the hon. Minister of Finance when he sat on this side of the House.

The second energy industry nightmare, and this one applies more to Alberta than to my constituency, is that government will move to restrict natural gas exports, thus strangling the most vibrant sector of the Canadian economy but creating a market surplus and forcing down prices in Ontario and Quebec where the votes are.

In closing I wish to reiterate my party's position that the path to effective deficit reduction is through spending cuts, not through tax increases. During the election campaign Reform made two dozen deficit reduction proposals. No doubt many of them would be ideologically unacceptable to the government but surely not all of them.

Last October 25 the people of Canada clearly demanded a change of direction. The government has a clear mandate. It has an obligation to take action. If it follows the course of least resistance the bumbling course of the last 20 years and this country with all of its enormous promise and potential finally gurgles down the drain, this government will never be forgiven—never.

• (1600)

**Mr. John Bryden (Hamilton—Wentworth):** Mr. Speaker, I quite enjoyed the hon member's remarks. They help me indeed in understanding a lot of things. I must say also though that I am one of those new Liberal MPs the hon. member mentioned in his remarks. There are some things I do not quite understand and I hope the hon. member can clarify them for me.

I have heard consistently through the day from other hon. members of the Reform Party that the Reform Party appears to be universally against higher taxes. Indeed the proposal, as the hon. member has said, is to lower taxes. Juxtaposed against this consistent theme is the idea that MPs should take a 10 per cent salary cut. I am quite interested by this juxtaposition.

My question therefore for the hon. member is when we put these two things together, am I to understand that the hon. member and the party of which he is a member would support a 10 per cent tax surcharge on all those earning \$60,000 or more?

**Mr. Morrison:** Mr. Speaker, I thank the hon. member for his question. The answer to the question is no, of course not. We do not advocate or agree with the increase of taxes of any kind on anybody.

When I talk about members of this House taking a 10 per cent, and I am one of them, we are doing this as a gesture to set an example to this government to cut spending. This is what I have been saying over and over again. Cut spending.

**Mr. Harvard:** Tell the truth, not all of you.

**Mr. Morrison:** To my knowledge, all of us, but you are talking—

**Mr. Harvard:** I just want you to tell the truth. You stand there so sanctimonious—

**The Acting Speaker (Mr. Kilger):** I know there is a tremendous amount of interest in today's debate and some strong views on either side, but I would remind hon. members to direct their comments to the Chair, please.

**Mr. Morrison:** Mr. Speaker, I believe that it is the custom of this House that one does not accuse other members of not telling the truth. Is this not correct?

**Mr. Harvard:** I said tell the truth.

**The Acting Speaker (Mr. Kilger):** Yes, there is a tradition in this House that we regard each other of course as we are, honourable members.

**Mr. Morrison:** Mr. Speaker, if the hon. member would wish to come over and audit my books he will find that I have indeed taken this cut—

**Mr. Harvard:** I did not suggest you did not.

**Mr. Morrison:** As to any other members of my caucus, I have not audited their books, but to my knowledge they have taken it. That is all I know. If the hon. member has other knowledge, then I think he should present it to me.