

*Excise Tax Act*

I was intrigued by the fact that on the flow-through mining shares the Minister decided to change his mind and do a bit of a restudy and a readaptation. I would be very pleased if the Minister would do the same thing with respect to cultural industries. Is he also backing off because of his fear of American reprisals?

**Some Hon. Members:** Oh, oh!

**Mrs. Finestone:** Don't laugh. Believe me, Jack Valenti got into his ear very nicely.

I suggest to the Hon. Member that there are many areas in which there is not fair taxation. I think it would be in the interests of the Government to look at where it is taxing corporations and how it is taxing them.

**Mr. McDermid:** Mr. speaker, I listened with great interest to the Hon. Member's speech.

**Mrs. Finestone:** You did not, you commented throughout.

**Mr. McDermid:** At one point she said that it was about time the Government rethought its taxation policies. I believe that is what tax reform is all about. We are talking about corporations and their taxation. A great many of the write-offs which have allowed them to avoid taxes are now disappearing with tax reform. A large number of profitable corporations which before did not pay taxes will now pay taxes.

The Hon. Member talked about sales taxes. Sales taxes under the new tax system will be greatly reduced. The manufacturing end has been paying a very unfair burden of tax. This has made our exports in many instances not competitive. That is what tax reform is all about.

After listening to the Hon. Member's speech this morning I am now convinced that she has not taken the time to sit down to look at the proposals in tax reform. Nor has she made any constructive comments on them.

**Mrs. Finestone:** Mr. Speaker, it is too bad that the Hon. Member is too busy talking when I am speaking that he cannot hear what I have to say. I suggest that he read *Hansard* to find out what was my answer. If that is not clear enough for him then he should read the minutes of the finance committee where I have participated a number of times. He will see quite clearly where my Party and I stand.

**Mr. Boudria:** Mr. Speaker, I want to ask a brief question of my colleague. I wish to congratulate her, not only for her excellent speech, the kind of excellent speech she always provides for the benefit of the Members of this House, but particularly for her most appropriate remarks to the Hon. Member for Brampton—Georgetown (Mr. McDermid). They were certainly very appropriate.

I want to ask the Hon. Member for Mount Royal (Mrs. Finestone), who is an expert in the area of communications, as we all know, and in culture, what she thinks of this proposition of the Government to tax long distance telephone calls. What

effect does she think this will have on rural Canadians who must pay long distance phone bills to do such basic things as telephone the doctor, the hospital and the local store to get necessary goods and so on? Would she not agree with me that this tax is unfair for any Canadian, but that it is particularly unfair for all the people of rural Canada who are now paying this increase in taxes in order to subsidize the free trade deal of the Prime Minister (Mr. Mulroney)?

**Mrs. Finestone:** Mr. Speaker, I said at the very outset that I thought this was an iniquitous Bill imposing regressive tax. I have not changed my mind. Certainly, the qualities of Scrooge, which the Minister of Finance would like to have attributed to him, which would indicate that he is managing well, have not shown themselves. What has shown itself is mean-spiritedness on the part of the Government which was prepared to tax anybody, anywhere. In particular a tax on talking for isolated Canadians is totally unacceptable. I thank the Hon. Member for raising the issue.

**Mr. Nelson A. Riis (Kamloops—Shuswap):** Mr. Speaker, I am pleased to have a chance to participate in today's debate. It is important that the truth be put on the record. In listening to some of the government speakers as to what is going on in the country it seems to me that at least some of them—and I do not want to cast them all in the same mold—have lost their grip on what is going on in our country.

● (1200)

I recall many occasions when Members of Parliament, particularly from British Columbia, have asked what the Government plans to do in terms of taking some special initiatives to assist the economic situation in British Columbia, only to have the Prime Minister (Mr. Mulroney) laugh and jeer and state that it has never been better in this country, things are wonderful, unemployment is down, the economy of western Canada is booming, and what are we complaining about. I do not think we can say it too often. I hope that Members from British Columbia, from all political Parties, will stand in their places during the rest of this debate and attempt to explain to the Government how serious is the situation.

I speak for parts of the central interior of British Columbia where, sometime back, Statistics Canada, through Labour Canada interviews, indicated that it felt the unemployment rate was as high as 28 per cent. This resulted in quite a reaction from a number of leaders in various communities who stated that that was obviously not the case, there had been an error in terms of the statistical analysis, that that could not be the case. Yet some of us thought that finally there is some consistency in describing how serious is the situation, and indeed 28 per cent unemployment is a reality.

Those of us who spend a lot of time on the streets of the communities realize that it is not uncommon for the person in every fourth house who usually brings in the money to keep the family is unemployed, or more often they are underemployed.