

Routine Proceedings

FINANCE

Mr. Jim Silye (Calgary Centre) Mr. Speaker, I move that the ninth report of the Standing Committee on Finance presented to the House on Monday, June 20, 1994 be concurred in.

Mr. Walker: Mr. Speaker, on a point of order. Could the Chair please clarify what the intent of this motion is.

The Acting Speaker (Mr. Kilger): It is that the ninth report of the Standing Committee on Finance presented to the House on June 20, 1994 be concurred in.

Mr. Silye: Mr. Speaker, with respect to the ninth report of the Standing Committee on Finance regarding replacing the GST and options for Canada, there are two issues I would like to address and I will also present the Reform Party's plan for tax reform.

The two issues I would like to address on this motion are the Liberal red book promise and the Liberal campaign election promise. There is a distinct difference between the two and this government is now attempting to confuse the Canadian public by putting the two together.

First, with respect to the red book campaign promise, the Liberals promised in that book, and it is there for everybody to read, to replace the GST with a simplified tax, more fair to small business and harmonized with the provinces.

• (1515)

The government is going to call this the new national value added tax but it is nothing more than a Christmas wish list. The government has made no hard proposals, only various options for provinces to consider, for Canadians to consider. It shirks its responsibilities by coming out one way or another on anything that is within the proposal. All decisions are left for the provincial governments to make. It is trying to sell the perfect tax world. If the provinces do not go along they will be the ones blamed and the federal government will claim that it has done the proper thing based on a report from a committee.

I have two colleagues who will address this issue as well and I will leave it to them to point out our concerns with this new national value added tax. I predict in short order, probably before Christmas, it will be referred to as the very awful tax and Canadians will be encouraging the government not to implement it.

My two colleagues will also point out the basic fundamental flaws that value added taxes are unable to resolve.

I would like to go on to the second aspect of—

The Acting Speaker (Mr. Kilger): Order. On a point of order, the hon. member for Mississauga South.

Mr. Szabo: Mr. Speaker, I understood that the motion was to adopt a report that had been previously tabled in the House. It appears to me that we have debate on the substance of the

discussion within the committee and not the recommendations or the—

The Acting Speaker (Mr. Kilger): I do not believe that is a point of order. Respectfully, I say the member is engaging in debate.

Mr. Silye: Mr. Speaker, the second issue that I wish to address relates to the report that has been filed.

This report is an attempt to fulfil an election promise. It is very apropos that we talk about the Liberal Party's election promises and its behaviour between now when it is the government and when its members were in opposition. The things they said to the Canadian public to get here, to get themselves elected, especially in the province of Ontario where they stole every seat except one—

Some hon. members: Oh, oh.

Mr. Silye: I do not mean stole. I will take that comment back.—where they were elected in every seat but one, duly elected democratically.

Let me quote the current finance minister: "I would abolish the tax", August 1990; the Minister of International Trade: "I would tax prescription drugs and food", 1989. During the campaign the Prime Minister said that he would scrap the tax. As recently as February of this year and May 4, 1994, in answer to one of my questions about this proposed tax, he indicated that he hated the GST and that he would kill it.

With comments like that, now they have proposed a replacement for the GST which is virtually the same as the current GST. It is nothing more than the son of GST, a clone of the GST with a new name. They now expect the Canadian public to accept the fact that they have fulfilled an election promise, that they have not only replaced the tax but they got rid of the awful GST.

What we will have if they proceed with this particular proposal is a very awful tax which is the same as the GST. The Canadian public will feel betrayed.

Here is an interesting situation I put to the government and to the Canadian public that are listening. The Deputy Prime Minister said that if the Liberal Party did not abolish the GST she would resign. She said this at a CBC town hall. That is a very firm commitment. I know she always keeps her word. The question is, how do we determine if this new national value added tax abolishes the GST? If it is determined by the Canadian public that it does not abolish the GST, then I would recommend that the Deputy Prime Minister fulfil her promise and duly resign.

• (1520)

It should be acknowledged and recognized that not only the Deputy Prime Minister but the Prime Minister, the Minister of Finance and the Minister of International Trade basically made an election promise they cannot keep. Rather than coming clean in the House and telling the Canadian public that "we can't keep