Excise Tax

The co-ops were before us again to protest against having to pay this particular tax, but recognizing that it was likely to be inevitable, they asked for some consideration in terms of the frequency of payment. They asked for 90 days within which to pay this tax in order to avoid going to the chartered banks of Canada to borrow the money. How on earth could anyone, let alone the government, say no, knowing it would collect the tax in the end and force the co-ops to go to the banks to borrow at excessive interest rates to make the payments? How could anyone say in all seriousness that that is an appropriate step? We will be waiting with some anxiety for the Minister of State for Finance to respond to that particular concern.

The municipality of Medicine Hat appeared before us. That is a city whose council a number of years ago had the foresight to recognize a valuable resource and develop it to advantage. That was a city council which had the vision to utilize a resource at hand, and as a result was able to provide a very attractive feature to industry for consideration in their decision-making process as to where they would or would not locate. They were attracted to the area of Medicine Hat because of the relatively low cost of energy, and also because of the fact the municipality used natural gas to generate power and light the street lights of the community and so on.

I cannot for the life of me understand why a government would say it was going to tax a municipality that is unique in Canada; it does not care, it is going to tax that municipality anyway. This is a small municipality relative to the rest of urban Canada, but the government says it does not have any particular compassion, it does not recognize the efforts of the municipality over the decades to develop this resource, it is going to impose the tax. I do not know why we do not have a government which could show a little more compassion, a government which says it appreciates and recognizes the wise decision that city has taken in developing the resource over the years to the benefit of its citizens and, indeed, the residents of Southern Alberta and indirectly the citizens of Canada.

My colleague, the hon. member for Broadview-Greenwood (Mr. Rae) spoke eloquently at some length about the multiplier effect of this tax and how it is going to touch the lives of so many Canadians; one could almost say all Canadians because it will result in higher food costs.

Just the other day we witnessed a demonstration in front of the Parliament buildings by a group of women protesting rising prices. They told story after story of personal incidents of which they were aware of families having difficulty putting food on their tables. This is occurring in what is probably the richest country in the world. Families are having difficulty in many cases in many parts of Canada putting food on their tables. This particular tax on natural gas will result in even higher food prices.

In the last number of weeks I have had the opportunity of visiting with a number of cattlemen, dairymen, orchardists and market gardeners in my riding, and every single one of those individuals is extremely concerned about the viability of their venture in the next number of years. Right now they are simply making payments and they are certainly not consider-

ing expansion in the food business. They are cutting back almost to the last individual, selling off land and reducing production simply because the interest rates are killing them. Now we are going to hit them with this tax which will make their costs even greater.

As the hon. member for Broadview-Greenwood stated, this is going to come back to haunt us in a few months just as certainly as the sun is going to rise tomorrow. This is the beginning of a process and we will see the impact of this on Canadian families in the next number of days and weeks.

As a western member let me ask why it is that the government is taxing these particular resources, natural gas and oil? Why is the government not putting a tax on water and why is it not putting a tax on electricity? I suggest it is because this would have implications which would raise the ire of certain provinces of Canada. Why is it the government is essentially choosing two, or three provinces in Canada in this particular legislation, saying it is going to levy a tax on the people living in those three provinces? Why does the government not tax electricity?

Mr. Cullen: We did.

Mr. Riis: Why don't you place a tax on hydro resources?

Mr. Cullen: We did.

Mr. Riis: Well, we do not any longer. In my own province of British Columbia hydro resources are not taxed, and hydro resources in Ontario and Quebec are not taxed, but natural gas and oil are. What about coal, do we levy a tax on it as an energy form? We do not. We just levy a tax on very selective energy resources. Can anybody explain why that is not discriminatory, identifying two resources out of many and saying those two are to be taxed but not others? Coal and hydroelectricity are resources which are not taxed in this country. They are energy sources which are found across the country, but we have selected out essentially one province—at the most, three—and are taxing it. Is that fair? How on earth can anyone suggest we are treating the regions of Canada equally? As a western member of the House of Commons I feel extremely bitter about what I see as a very discriminatory act.

• (1750)

During the constitutional discussions our party wanted to make the case very strongly that we felt that resources should come under provincial control. We moved an appropriate motion to see that that would occur in the ultimate statement of Canadian law. Yet we see here an obvious infringement in that area. It has been taken to the courts, and the courts have ruled. As the hon. member who spoke previously this afternoon said, even now it is before the Supreme Court of Canada. Here we are during these very delicate and sensitive times of negotiation ramming this through and obviously not caring particularly about this infringement into this provincial area of jurisdiction.

I could go on and on just on this matter, let alone discussing what Bill C-57 would do to the artists of Canada, the disabled