

Excise Tax

Mr. Baker (Nepean-Carleton): We index the income tax to the benefit of the taxpayers.

Mr. Evans: We were not talking about the indexation of the income tax. That turns it around and it goes the other way.

Cosmetics was another area which was brought to our attention. The difficulty there was that the government had moved the incidence of the tax to the cosmeticians level because of the understanding that the cosmetician was, in fact, a wholesaler. We found out that such was not the case, and we responded because it is a manufacturer's excise tax, after all, and the tax should be collected at that level. The cosmeticians said, "Look. We use these products, whether they be shampoos or other forms of cosmetics, in our beauty salons. Therefore, we are a retailer of these products, not a wholesaler. Therefore, the tax should not be applied on our sale price. It should be applied on the sale price of the person before us." We said, "That being the nature of the cosmetics business here, which we are talking about at this time, that is fine. Therefore, that tax should be back there."

The amendment was put forward, and we met their concerns. Therefore, when a group could show that there was not equity in this particular legislation, when they could show that the government was imposing a tax unfairly on them which was not being imposed on another group under exactly the same circumstances, it was changed. The government has examined these taxes very carefully and has tried to make sure that they are applied equitably and fairly to all Canadians.

● (1510)

I support the bill 100 per cent, Mr. Speaker.

Mr. John Thomson (Calgary South): Mr. Speaker, I have listened patiently for 40 minutes to the Parliamentary Secretary to the Minister of Finance (Mr. Evans) saying that this government is so fair that it can say, in effect, "We are the heart of human kindness; we are the people of equity and reasonableness."

Some hon. Members: Hear, hear!

Mr. Thomson: That is a joke. It would be laughable if it were not so sad. I think the parliamentary secretary actually believed what he said. Bill C-57 imposes a gas tax that discriminates against one industry in Canada, Mr. Speaker. The gas tax is applied to one industry; is that fair and reasonable? Is that equitable? That is a petroleum gas revenue tax that has wiped out all of the marginal oil production in western Canada. That industry is no longer producing because it is losing money. The petroleum gas and revenue tax has virtually crucified and wrecked the industry.

It is clear to most Canadians that we are running out of oil and that we desperately need to find some alternative energy resources or we will have to produce a lot more oil. Surely, in the short run, we have to produce more oil. We should be encouraging, not discouraging, the oil and gas industry.

The parliamentary secretary talked about jobs in the scientific area of the industry that could be done quite well in Canada, and I do not dispute that. I would ask him to remember, however, that the National Energy Program has cost this country something like 60,000 jobs.

Mr. Cullen: Nonsense.

Mr. Thomson: How can anyone claim to be concerned about jobs while implementing a program that will cost the country 60,000 jobs? That is just the start.

Mr. Cullen: Nonsense.

Mr. Thomson: Is it nonsense? The government will not listen and will not believe the facts.

Mr. Cullen: We know the facts.

Mr. Thomson: I invite hon. members opposite to come to my riding of Calgary South to see the devastating effects of this program, or to Red Deer or to Bow River. They should come out and see what is happening to the oil industry in western Canada.

I want to address my remarks this afternoon to the impact of Bill C-57 and the petroleum gas and revenue tax on the oil and gas industry. The National Energy Program has received as much debate as any piece of legislation to come before this House, in my memory, since Mr. Benson's white paper on taxation. Indeed, I would say that the National Energy Program is probably as disastrous as was the Benson white paper on taxation, and is very likely more so.

It has taken me some time to realize that the National Energy Program is not a program at all. It is part of an over-all design by the Liberal government to control all aspects of the Canadian economy. It has nothing to do with energy. The oil and gas industry just happens to be first on the list for government control.

How can the Liberal government be so callous in its approach to the Canadian economy, the Canadian worker, the Canadian consumer and the Canadian householder? I have come to the conclusion that the Liberal government does not really care. It is flush with power and believes it can run roughshod over the Canadian people. I think there are those in the Liberal cabinet who have said, "We are not going to be around for the next election, so let's bite the bullet and push Canada as far down the socialist road to nationalization and federal government control as we can get away with." That is the purpose of the National Energy Program—nationalization and federal government control. Those are the primary objectives of the Liberal government, not only with respect to the oil and gas industry but the whole of Canadian society.

I have spent a good deal of time examining the pricing situation in the oil and gas industry today—the price of gasoline, of crude oil at the pump, royalties, and taxes taken by the federal and provincial governments. I have the benefit of over 20-years experience in the oil and gas industry.