

*Excise Tax Act*

This failure was never clearer to me than when the Minister of Finance stood in his place on February 10 and said in his budget speech that his Government's policies were working just fine, and that all he and his colleague had to do was stay the course. It is appalling that a modern Canadian Government, after three and one half years in office, after taxing Canadians more than they have ever been taxed before, fighting the deficit on the back of middle-income Canadians, can still come forward with this kind of non-action as it sees the growing gap between the rich and the poor. I would hope that during this vibrant and prosperous economy in which we live, it is not too late for the Government to start to review, revise and address the ongoing problems of the poor, the working poor and ordinary Canadians in our society.

**Mr. Hockin:** I have one brief question to direct to the Member. She is intelligent and I am sure she knows that 850,000 Canadians have been taken off the income tax rolls. I am sure she also knows that \$200 billion of debt was inherited by this present Government and that very shortly this Government will be balancing the budget except for covering the debt, which we inherited. I know she is well aware of that.

Something that she may not be aware of, and it did not come through in her rather one-sided speech, is that federal sales taxes are very high, as high as 12 per cent. Is she aware that this tax was brought in by a previous Liberal Government and that the increasingly generous tax credit brought in by this Government was a Conservative measure in order to ensure that that tax does not bear as aggressively on low-income workers as it did under the previous Liberal Government?

● (1150)

**Mrs. Finestone:** Mr. Speaker, I respect the comments made by my colleague. I am pleased to see that he is paying some attention to the rates of the banks and to the concerns that Canadians are expressing with respect to them. I am pleased that my colleague the Hon. Member for Cape Breton—East Richmond (Mr. Dingwall) has raised the issue often enough to force the Minister to answer those questions.

With respect to the tax to which the Hon. Member was referring, I suggest to him that if he considered that the tax which we had levied was too high then he had a mandate, a massive mandate when his Government was elected, and he had a choice. He was supposed to govern—

[*Translation*]

to the best of his ability and in keeping with his Government's commitments.

[*English*]

He said that he was not going to increase taxes. Did the Minister listen to what he said? No, he blocked his ears. He was like the monkeys—hear, see, and speak not. He should not come back to say that we imposed because you imposed. The fact is that the Government has been in place for three and a half years now. It has had every opportunity to meet its

commitments. If the Minister wanted to block his ears and to increase the taxes which he says we put on in the first place then that is his problem, not mine.

With respect to the number of taxpayers who have been taken off the tax rolls, may I suggest that many of them got put on by the Government's spread-out net. It trapped many more people at the lower-income level. The Minister must realize that his Government has taxed us out of our minds, to the tune of \$22 billion, and the Government is giving us back \$5 billion. Fewer people are now being taxed. Am I supposed to say thank you for being outrageously wrong in the first place? I am sorry, Mr. Speaker, no thank you to that.

**Mr. Riis:** Mr. Speaker, I listened with interest to the Hon. Member for Mount Royal (Mrs. Finestone). It seems to me that she was very concerned about a whole set of tax increases that the Government has now foisted on the backs of Canadians as a result of the last Budget. This is getting to be a repeat performance. It seems to be that every three or four months we have another debate on the whole set of new taxes levied on the innocent taxpayers. I think we have almost reached a breaking limit. I do not think Canadians will sit much longer and accept continual tax increases, not only by the federal Government but also by provincial Governments and local Governments.

My question for the Hon. Member is this. In her explanation of the concerns that she had for each and every of these tax increases that are now coming on stream, does she not feel that the Government should decide to impose a minimum tax on the 60,000 profitable corporations which are not paying any taxes at all? Those corporations include some of the major trust companies and banks, as well as Argus Corporation and Cadillac Fairview. They make hundreds of millions of dollars in profits, and they do not pay a single penny in income tax.

Does the Hon. Member not feel that perhaps a more appropriate approach, a fair approach, would be for the Government to expect these profitable corporations, which now number in excess of 60,000, to pay their fair share? If they pay their fair share would not all these other nickel and dime tax increases be unnecessary? In other words, this would build not only more fairness into the system but it would stop the tax on telephone costs and watching television, and the continued increases in the taxes on beer, cigarettes and so on. Would she not agree that that might be a more appropriate approach?

**Mrs. Finestone:** Mr. Speaker, I certainly think that fairness is not this Government's long suit especially when looking at taxation on all sides. I suggest to the Hon. Member that it is very important that business have a fair tax. Business is a good part of the motor of the economy of the country. It is important that businesses enable the country to grow and develop. However, I am sure that businesses as well as everyone else want to carry their fair share. If the Government does not see it in that light, who will stand up to volunteer to take money out of their pockets unless it is part of government philosophy?