

Routine Proceedings

Dealing with some of the specific misconceptions, the government has addressed the family trust issue. A paper was released earlier this month by the Department of Finance. It was presented to the House of Commons Standing Committee on Finance last week. The chair was asked to arrange with the opposition parties to set out hearings or to suggest ways of proceeding.

I am sure the critic of the Bloc Quebecois would be interested in family trusts. He will know the committee report is now available. We will seek our direction from the other members of the committee and the steering committee on how to proceed with an analysis of it.

On the question of corporate taxes and the contributions of corporations to the Canadian tax base, the member knows that in the February 22 budget presented by the Minister of Finance we made more progress in closing tax loopholes for corporations than any other government has done. We are very proud of what we have done.

Lastly, we anticipate an increase in profits from the corporate sector this year. I do not want to get ahead of statistics to be released by the government over the course of the year, but the hon. member will be happy to know that corporations will be pulling their fair share as the profits from their businesses go up in the current calendar year.

• (1600)

[Translation]

Mr. Yvan Loubier (Saint-Hyacinthe—Bagot): Mr. Speaker, I intend to share my allotted time with the hon. member for Témiscamingue.

I welcome this opportunity to discuss the alternative to the existing Goods and Services Tax proposed by the Liberal Party of Canada. After spending \$750,000 to find an alternative to the Goods and Services Tax, especially to get rid of the tax, as the Prime Minister has promised repeatedly, it is now clear that the Liberal government has failed miserably in the attempt. There are a number of reasons for this, but I will give you one fundamental reason and five more specific reasons.

First of all, for the price of \$750,000, they took four quarters and gave us a loonie. It is disgraceful to use public funds to propose merely cosmetic changes. These changes will not abolish the GST, as the present Prime Minister promised to do and as all members of the Liberal Party promised to do as well, and they were very convincing as they rent a van full of garments. No, these proposals were just for a new GST which, according to the best scenario, will be similar to the old one and in the worst scenario will be more complex than the Goods and Services Tax.

In the end, and this is a monumental farce, after spending \$750,000, Quebec and Canadian consumers will still be paying the Goods and Services Tax every time they make a purchase.

We object to this monumental farce for five basic reasons. First, in addition to the general argument I just made, the Liberal majority report proposes a GST alternative which is not an alternative. It is a hidden tax, and the report suggests the possibility of hypocritically and craftily making the new goods and services tax invisible as part of the price.

When they say we will be able to see the amount of the tax on the cash receipt, that is not quite true. The Liberal majority does not say so. It was explained during many discussions in committee that one could indicate at the bottom of the receipt that the total price paid by Quebec and Canadian consumers includes a goods and services tax, a despicable tax imposed by the Liberal government, a tax which may be 7, 10 or 12 per cent or whatever.

The Liberal majority's report opens the door to all kinds of insidious increases without the knowledge of Quebec and Canadian consumers.

The second basic reason why the Bloc Quebecois vehemently and strenuously objects to this Liberal majority report is that it could lead to a broadening of the tax base with a proposal to tax food, health care and drugs. When I heard the secretary of state say earlier that this was out of the question, and that this would have to be negotiated with the provinces, the Liberal government has always been planning to tax these three basic items, ever since the Finance Committee started work, and members on the committee would agree with that.

Subsequently, it was the Liberal majority that referred to taxing food, health care and drugs as a very realistic proposal. As my colleague from Témiscamingue indicated in his question, with the first level of taxation referred to earlier, that is to say the business transfer tax imposed on small business, it is practically impossible to exclude such items from the new taxation system laid out in the Liberal majority report.

I was listening to the secretary of state express earlier a great deal of compassion for the most disadvantaged members of our society. But this is the same man who fought to maintain the proposed cuts to the unemployment insurance program contained in the last Liberal budget. He fought to maintain this budget measure, using arguments that were fallacious and often demagogic.

• (1605)

I will tell him that there is no mention in this Liberal majority report of indexing the tax credit, the refund low income families receive. There is nothing about such an indexation while the Conservatives—whom the people across the way roundly criticized—at least planned to index the tax credit refund on the old GST. These people have no sensitivity, no compassion for the