

*Excise Tax Act*

effects will not be felt for a while yet, and I am speaking of course about the Star-Kist tuna fiasco at the New Brunswick plant.

If we had all these major and even monumental mistakes of the Conservative Government, we can understand why the Conservatives need more money than they now have.

[*English*]

Also, the Conservatives made many promises to Canadians. As I have indicated previously on a couple of occasions, at least, they are all in the document entitled *338 Tory Promises*. Since then most of them have been broken. All Canadians are welcome to have a copy of this document if they telephone my office. However, in it there are 113 promises to spend more money, 5 promises to spend less, 2 promises to increase revenues, and 26 promises to decrease revenues. Then we wonder why the Tories need more money! Had they not become involved in fiascos, they would still need more money in an attempt to live up to one or two of the promises in *338 Tory Promises*. Beyond that, they have made a considerable mess of things and require further funds.

Let us look at the effect of some of the tax measures. I have received letters from constituents concerning some of the taxation measures in Bill C-80. One such letter is from the Cumberland Ready Mix company in my riding, a good employer who provides many jobs. The owner, Mr. J. B. Brazeau, wrote as follows:

We wish to make known our strong objections to the 6 per cent federal tax proposed in the Budget of May 23, 1985, on Ready Mix Concrete.

We feel the levying of this tax, at this time, is unfair. Prices have already been quoted, and contracts signed for the year.

We hereby request that if this tax must be levied it should at least be postponed until January 1, 1986.

Any assistance you may give us in obtaining at least a postponement would be greatly appreciated.

To most of us that would seem logical. One would think that if a contract was signed in April or May to provide concrete for the whole year and there was an increase in taxes, this small-businessman would have to absorb that tax.

**An Hon. Member:** That is all right.

**Mr. Boudria:** I hear a Conservative Member across the way saying that that is all right. Maybe Tories are of the view that eliminating small businesses from the map is all right, but we in the Liberal Party do not feel that way. I want the record to show that we will speak in favour of small businesses, even when the Conservatives are against them.

I have a similar letter from Denis Brisbois Contractor Ltd., a contractor involved in cement and in my constituency. That company provides many jobs for the people I represent in the House of Commons. He objects to the same things as Mr. Brazeau of Cumberland Ready Mix. There are other similar employers—Centennial Constructions, Vars Concrete and so forth. They have made similar objections. The result will be a loss of jobs in my constituency, notwithstanding the fact that an Hon. Member across the way said that that was all right.

● (1720)

Well, Mr. Speaker, let me tell you what the Minister of Finance replied when I wrote to him. Most of us would understand this logically; but then again most of us are not Tories. Most of us would understand this. I read in part of the letter from the Minister of Finance:

As you know, the federal sales tax is a general tax which applies to many goods produced in or imported into Canada.

I will let you, Mr. Speaker, decide how relevant that particular sentence is to the whole discussion at hand. The letter continues:

It is, in fact, the third largest source of federal revenue next only to personal and corporate income taxes.

I am sure that my constituents would be glad to hear this as well. The letter continues:

The tax is normally levied on the manufacturer's sale price in the case of domestically produced goods and on the duty-paid value of imported goods.

However, in the case of ready mix concrete and a number of other construction goods, special provisions existed which allowed the manufacturer to pay the tax on only the cost of the raw materials used in producing the goods.

That is what he had to answer to my constituent.

There are about two and a half pages of similar irrelevancies in the letter. The Minister of Finance finally concludes:

Finally, may I point out the efforts made by this Government to keep interest rates down, which is ultimately the best help it can provide to the construction industry. Indeed, interest rates have fallen by almost 3 percentage points since September 1984 to their lowest level in seven years.

Then he goes on to describe the number of housing starts and says:

I regret that my reply could not have been more favourable.

Mr. Speaker, if you were a small contractor in my riding who had been treated unfairly by this tax and will lose money every time you sell another ready mix truckload of concrete, what difference would receiving this kind of irrelevant answer from an insensitive Minister of Finance make? I suggest absolutely none. This is a clear example of a mistake. None of us even asked that the tax be removed, only postponed so the current contracts could expire. It made sense to most of us, but not to the Tory Government.

Last August 29 and August 30 I had the honour and the privilege to chair the national Liberal forum on the Budget. I was asked to do so by my Leader and I gladly accepted. We heard two days of testimony from various groups, many of them national groups. Let me summarize what some of them had to say to us.

We heard from the Canadian Automobile Association, certainly a very non-partisan group representing a large number of people in this country. I understand that their membership is over two million people. Here is what they had to say, and I am summarizing from the report that I have in front of me. I quote from his submission:

—the CAA believes that by addressing the deficit in the manner they have, the Government has treated the Canadian motorist unfairly and at the same time introduced measures which are counterproductive to both deficit reduction and employment growth.