

The Address

On the coast at the Roberts Bank terminal, charges to put coal into the ships for export have tripled over the last ten years and the Vancouver port authority, a part of the federal government, has direct responsibility for the fees which are continuing to rise at a rate of 10 per cent a year. This is at a time when coal prices are crashing.

Yet I read in the newspaper yesterday a headline which said: "Our finance minister says Canada can stand more tax". Canada cannot stand more tax. Taxes kill jobs.

If the Liberals wonder why western Canadians are uptight about the potential imposition of a carbon tax they need only look at the results of the national energy plan which was only a thinly disguised revenue grab from western Canada to central Canada. We still suffer from the residue.

Coal mines are subject to higher mineral taxes than hard rock mines in British Columbia. It is unclear but it appears as though this is simply a leftover from the bad old days of the era of the national energy plan that was imposed by the former Liberal government.

The fact is that our coal mines supply world markets and the Japanese steel industry will lose \$3 billion U.S. in the current fiscal year. There is a continued oversupply of coking coal in the world market. That is world reality. We Canadians have to face reality and so again I say to my constituents that we Canadians must demand less service and entitlements from our politicians or we will tax our jobs out of existence.

I say to the trustees of the schools boards, the mayors and councillors of our towns and cities, the regional district directors, the MLAs Corky Evans and Jim Doyle and the hon. minister of mines Ann Edwards that we must be prepared to lead cutting government costs so that we will not tax our jobs out of existence.

I challenge members of the House of Commons to follow the example shown by the Reform Party members and take a 10 per cent cut in their pay not because they are not earning it but clearly to show leadership by example. It is only by demanding less that we will have more jobs, more security and more future for ourselves and for our children.

• (1545)

[Translation]

Mr. Yvan Loubier (Saint-Hyacinthe—Bagot): Mr. Speaker, I thank my hon. colleague from the Reform Party for his excellent speech, which contained views on taxation that I do not share but respect nonetheless. In fact, I would have a comment to make about the tax system and I would also like to ask a question.

From the moment the election campaign began and from the moment this House resumed sitting, I have been hearing members of the Reform Party refer to uniform cuts of 10, 12 or 15 per cent depending on the speaker, because it would seem to me that there is no party line where this matter is concerned. I wonder

what the rationale is for requesting such drastic cuts across the board. I would like to know if the Reform Party could not suggest some other alternative like broadening the tax base to make the Canadian tax system fair again.

Let me explain. In 1991, the very rich, some of whom probably live in my hon. colleague's riding, were said to have paid tax at an actual rate of about 18 per cent, while the basic tax rate was 29 per cent. Other statistics show a flight of capital from very large Canadian corporations, which means that Canadian businesses—very large businesses, not the small and medium-sized or the very small ones, but the very large ones that turn a profit year in year out—are transferring their profits to some tax haven without paying a nickel in taxes in Canada. Yet, the same businesses transfer to Canada the losses they post abroad because they can get a tax deduction for those. I wonder if we could not recover billions in lost tax simply by broadening the tax base. I think that we are starting to get a clearer picture of where we are going in terms of the budget. There might be a way to get these businesses and these very rich taxpayers to pay their fair share, thus achieving the very objectives you have been talking about since this House resumed its business.

Clearly, Mr. Speaker, and I will end my comment on that, there is a need for effective spending control. The Auditor General of Canada did mention a certain laxness about the budget when he tabled his last report. But to suggest such drastic cuts, across the board, do you not think that this could affect the poorer taxpayers or the middle-income earners who are already overburdened by a tax system that has become unbearable, especially since 1984? I put the question to the hon. member.

[English]

Mr. Abbott: Mr. Speaker, I appreciate the question because it gives me an opportunity to speak to some of the confusion that the member refers to.

There seems to be a lack of ability of being able to get hold of our documents from the election campaign. I would be very happy to provide them to any member in the House. We are not talking about uniform cuts of 10, 12 or 15 per cent. We are not talking about lateral cuts.

We are talking about selectively making sure that we have the ability to be able to fund exactly the people at the end of the member's question to which he was referring. They are the most disadvantaged within our society.

If we do not have the resources or the funds, truly it will be those who cannot take care of themselves who will be disadvantaged. Therefore we have a very specific program that I would be very happy to share.

Let us take a look at the overall principle that has been very clearly put out by other members of the Reform Party in this debate. It is that 25 cents out of every dollar put out by the government goes out as an interest payment for overspending we have already done. That money is gone. There is no way of recovering that money.