

tax review. Get rid of the income tax in its present form. Get rid of the 14,000 books of rules and regulations.

Why does this government not take some advice from one of its own members who worked hard and true on this in opposition, the hon. member for Broadview—Greenwood? I know what his name is but I am not allowed to mention it. He wrote the book *The Single Tax*.

That has a lot of merit. A flat tax for Canada would help spread the tax load. It would allow us to introduce a lower tax rate. It would help solve the problems with the social safety net with an exemption level for each person that generates money. That would solve the problem. They would not have to pay tax on the first \$15,000 for instance. They could then look after themselves without government subsidies and aid. Then the money we did generate as a government could go to the truly needy, the people who really need welfare and those seniors who really need help under the guaranteed income supplement.

Why will the Liberal government not focus on issues like this? There is a member within that party and he is not even in cabinet. He has been shunted right out and I do not understand why.

A flat tax has some other advantages. A flat tax would allow all Canadians on a proportional basis, depending upon the size of their family and the size of their income, to pay the same rate of tax. That would be equal. It would be more equitable and it would be fair. The finance minister always likes to use the word "fair". He has said in his budget speech that his intent and one of the objectives of the federal budget is to restore and sustain fiscal responsibility but I beg to differ.

The other advantages of a flat tax, if the Liberal government were so inclined to review it, would be that being simple it eliminates the need and the work with all these exemptions and loopholes that the finance minister talks about in his budget.

Today when we want to develop a certain sector of our natural resources, we create an incentive for people to invest and we give them a tax deduction. That starts to work or does not work and then later on we take the exemption away. We call it a loophole and we eliminate it. We give and take and give and take.

• (1720)

If we had a flat tax we would not have to worry about incentives, loopholes and deductions. We would only have to figure out mechanisms over and above the personal exemption in terms of charitable donations, perhaps 1 per cent, and in terms of the child credit and child care costs. Those could be incorporated.

### *Government Orders*

After that we could draw a line. We would state what was made, make the deductions, multiply by 15 per cent and send that amount to the federal government. This system would be less complicated and understandable by everybody. It could be put on one sheet. Everybody would be doing it the same way. It is a proportional tax.

I would love to have a debate on this. Perhaps I could convince my own caucus to make a motion at some future point to discuss this flat tax and have a situation in which we solve our own problems. I believe a major overhaul of the entire taxation system would entice more investment in Canada.

We need capital. We need equity capital. Right now the government mentality, especially at the federal level is to continue to live on borrowed money which I call debt capital. There is a big difference. Money that is at risk motivates. Government money, especially borrowed money, is a waste.

I wish at some point in time we could address our entire economic and social problems in a comprehensive and analytical manner. As some Bloc Quebecois members like to say in the finance committee, there should be a complete review of our taxation system category by category, allocation by allocation.

We could then decide what programs we should be funding, what programs should remain in the public sector and what programs should be shunted off to the private sector. Yes, I am talking about privatization. There are a lot of Crown corporations that could be sold off if they are still necessary. If nobody in the private sector wishes to buy them, that is only proof nobody wants the service or needs it anyway.

We could really clean house in this 35th Parliament if we made a commitment. I understand the Bloc Quebecois claims to be fiscally responsible. So does the Reform Party. Why do the cabinet ministers not swallow their pride and listen to some of the comments we make? They could take credit for being the greatest government that ever lived because it finally listened to the people on matters that really counted, money. We pay far too much in taxes and they need to be reduced.

I speak against Bill C-14. I know the government ultimately can put this bill through, but I caution it to at least listen to some of the comments made in this House. Do more than give token interest to what we say. We are here to serve for another four and a half years. We want to be solving the problems for this country, not for some international association.

[*Translation*]

**Mr. Pierre de Savoy (Portneuf):** Mr. Speaker, I will be brief because I really want to hear the Reform Party's answer to this question.

Some time ago, because of a similar perception of the debt problem, I was invited to join the ranks of the Reform Party.