

*Excise Tax Act*

"Reach out and tax someone". This new tax on talking will reap the Government close to another \$1 billion a year. It is time for us to think about how we can support another \$1 billion being taken out of the pockets of Canadians.

I am sure the Government will try to apply this money to the deficit. It will then say it has done an incredible job of good government management. Yet what it has really done is taken the easy way out. It has taxed Canadians in order to pursue the deficit battle.

● (1140)

Where is the creativity in the way the Government went about this? I would suggest it has not been creative, nor has it been a good manager. Perhaps it should have started in its own house and cut out some of those incredible salaries in Ministers' offices and in the PMO. That way the Government might well have given Canadians a better lesson.

What about the increase in the tax on cable and pay TV services? There are tax increases of 8 per cent and 10 per cent. That will bring in an additional \$93 million in general government revenue. But these funds will not be put into a program fund to produce good Canadian quality films, which was the concept behind the original tax on cable. That was the argument we used when we told the cable people to pay part of the cost of Canadian services which we have the right to expect to receive on our television sets in our homes. The concept was good. We need that Canadian content in our films. There was the intent to have this as a dedicated tax and I would suggest the Government could have directed the funds in this way.

It is nice to find something about which I can congratulate the Government. That is the granting of an exemption on original prints from federal sales tax. I daresay artists are quite delighted with that. I would also suggest that we need a better definition of artistic works so we could broaden the base of those who should be exempted from this tax.

I looked at those areas of particular interest to me as the critic, but I would suggest that the general draining of money from the people will become the Conservative epitaph. The facts speak for themselves. Today individual Canadians pay a greater share of the total tax bill in this country than they did when the Conservatives came into office, while corporations pay an even smaller share of the bill. It is just that simple. One can certainly see where the sympathies of this Government lie. I would suggest that the Government should perhaps review and revise its thinking and direction.

I wish to address some of the issues of concern which exist in the real world, the challenges facing many Canadians. The Minister of Finance saw no need to address these challenges in his supposedly "stand pat—stay still" budget. I would suggest the Minister missed the boat and I am really sad to say that. I think he treated with cavalier indifference the real needs of the country.

Poverty is at the heart of most of our social problems in Canada such as ill health, crime, poor housing conditions and family violence, which affects the women and children of this land for the most part. I would say that the Government cannot continue to tell us the poverty gap will be closed as economic conditions improve. It was fortunate enough to be elected at a time when throughout the world the economy improved. Jobs were created around this world, not just by this Government. If it wants to measure its job creation record, let it go back and look at the time when the rest of the world was at the same point in economic development and growth.

I would suggest that the trickle-down theory of economic growth simply does not work in the country in which we live. We are geographically so widely spread and regionally so diverse that we must have economic growth on two levels. This Government has forgotten what Canadians expect from its Government as leaders and directors of our society. When there is the kind of differential between the rich and the poor that we have in this country, I suggest that the Government has an obligation to address the issues. When we speak of the poor, we are referring to the tens of thousands of children and of the tens of thousands of single parents, mostly women.

I think we also have to take into consideration the working poor because they form a part of that category. It remains a fact that well over half of Canada's poorer families do earn an income. Therefore, these taxes will hit them. That will make it even more difficult for them to move out into a more stable economic environment. One well knows that in an economic enriched environment, one can afford to buy those things that will enrich the home from which the children of the future are going to come. That means music, books, records and recreational time that is constructive. None of that happens in families of the working poor. Not much of that happens because there is exhaustion and the constant grind of trying to make ends meet.

In participating here today in this tax debate, I cannot help but wonder what Canadians are thinking about this Government, a Government that was swept into office in 1984 promising not to raise taxes. Yet it has overseen one of the largest tax grabs Canadians have ever known. I hope Canadians will remember what the present Minister of Finance said on behalf of his Party while sitting on this side of the House: "We will cut spending. We will not raise taxes. Tax levels in Canada are already too high". The Prime Minister (Mr. Mulroney) repeated this promise soon after the 1984 election.

In closing, I am sure Canadians are wondering where all this goodwill has gone. What has happened to these promises? Those promises are going to come back to haunt the Conservatives. Canadians will not soon forget that this is a Government that has failed to meet its commitment. It has not kept its word. I would suggest that there is unease and frustration about the Conservative Government's record, a record that will establish this Conservative Government in history for its failure to show strong credible leadership in the many challenges facing us as a nation.