

Government Orders

This rule was put in place to make sure the wealthiest people in this country pay the taxes normal Canadians have to pay. The big businessman will pay his capital gains like the little, tiny business man does.

Today in this Chamber we are passing a bill that will no longer have these taxes due, as these experts have claimed. The 21-year rule will no longer be there. It will be extended now. We will try to get our money out of ordinary Canadians. We will stick them with the GST. We will tell them their income tax return has been attached, but we will give a break to the wealthiest of the wealthy in this country.

I do not blame wealthy families. Some members have stood up in this Chamber and blamed the wealthy families. My goodness if the law is there, is it not there to be taken advantage of? Let us not blame people who are wealthy. Let us blame the members of Parliament who passed the laws. These are the people we should be blaming not for loopholes, as the NDP calls them, but for intentional changes to good law that were put into effect by the present Leader of the Opposition and Prime Minister Pierre Elliott Trudeau in 1972 to close a possible loophole for very wealthy Canadians.

• (1300)

Sometimes I am amazed at what ordinary Canadians will put up with. Do you know that when this government announced this change for the wealthy people of Canada, it changed the law in this Chamber regarding what some people can claim as entertainment on their income tax returns? Do you realize, Madam Speaker, in the midst of the GST clamping down on all ordinary Canadians and demands for repayments from widows and people who cannot afford it who were losing their homes, what the government did in this Chamber? In the last two years it changed the law relating to what can be claimed as entertainment expenses. The CBC discussed it one morning. An expert from Revenue Canada said that now under the recent changes to the act it is perfectly legal for someone to claim the services of an escort service, masseurs and masseuses as long as they have receipts. The taxpayers of Canada—14.6 million Canadians—are paying 80 per cent of the bill under entertainment and meals.

That is the change it made. Prior to this, one accounting firm would say this and this could be claimed while another accounting firm would say no. Some direction was needed. Revenue Canada gave them direction all right through this government. Now anything can be claimed that does not contravene the Criminal Code—if it enhances your business opportunities.

If everything was great and if everybody was getting a tax break in this country some of these measures might be all right, but certainly the claiming of escort services by wealthy taxpayers should never be allowed. That is what the Government of Canada has done.

There are 570 people in this country today making over a quarter of a million dollars a year who filed income tax returns and pay zero income tax. There are 13,000 Canadians today who are getting the GST rebate and make over \$150,000 a year. How is this possible? It is possible because of the law and not because of a loophole in the law. It is possible because one may deduct such things as investment in foreign oil and gas developments in Colombia, Vietnam and other countries before arriving at your net income.

It is amazing what ordinary Canadians put up with in Canada when one looks at our Income Tax Act.

Let me make one further reference that some of the Tories are not going to like but I am going to say it anyway. In the Prime Minister's speech yesterday he repeated one sentence. The sentence he repeated was that the Conservative Party was very wealthy, it had a great war chest and oodles of money. It had loads of money, buckets of money, barrels of money, truckloads of money. At least that was the suggestion that the Prime Minister made yesterday.

• (1305)

The changes we are debating in the House today are going to be put through by the majority government. That does not surprise me at all. It is the very wealthy in our society who will benefit from these changes. It is the very poorest in our society that go to H & R Block today and say: "I want to get a refund on my income tax early and pay you 10 per cent or 15 per cent in the bargain to give me an advance on my income tax". Up on the screen for the first time comes the name of that person and then it says: "Refund attached, call Revenue Canada".

That poor woman turns around and calls Revenue Canada before she calls her member of Parliament. Revenue Canada says: "According to the Department of the Secretary of State in Ottawa you owe them money from 1960". The lady says: "Well I didn't hear anything about that. I didn't receive a letter". They say: "Well, no, that is the law, madam. Once they notify us that you owe them money we have to attach your entire rebate. We cannot do anything with it". The lady says: "Well what am I going to do?" The fellow says: "You can call the Secretary of State Department in Ottawa".