

Excise Tax Act

This particular program faces up to the situation and takes the bull by the horns. Yes, we will have to increase certain taxes, but the increases are being imposed fairly. In this way, we will be able to control the Government's finances and remedy a situation that we and all other Canadians with us inherited.

Mr. Keeper: Mr. Speaker, the Hon. Member has stated that the measures to reduce the tax rate which the Government has taken are fair. How can he justify a measure which will reduce the tax rate on capital gains while increasing the sales tax? How can he say that a measure which will make the rich richer and the poor poorer is fair?

Mr. Tremblay (Quebec East): When the House dealt with the Government's plan to deindex Old Age Security Pensions, Mr. Speaker, I asked, as an experiment, a number of senior citizens in my riding to write down \$200 billion, a very large figure indeed with a great many zeros. Most of them left out three zeros, Mr. Speaker, and now that they realize what a large figure it is, they are a little sorry the Government went along with their request and they are willing to pay their share of the debt, for it is necessary to write \$200,000,000,000 to realize what a huge figure that is. To reply to my hon. colleague, may I say that it is by helping those who are willing to take calculated risks risk-takers are born, not made, Mr. Speaker and to reinvest the profits they make in forever larger investments that we will replenish the coffers of the State and increase the NGP.

Mr. Deputy Speaker: The Hon. Member for Winnipeg North Centre, a supplementary question?

Mr. Keeper: Yes, Mr. Speaker. The Hon. Member has indicated that the measure to reduce the tax rate on capital gains would yield economic benefits. I wonder if the Hon. Member is aware that nearly all economists in this country agree that it will yield no economic benefits.

Mr. Tremblay (Quebec East): Mr. Speaker, because I meet regularly the businessmen in my riding, including people involved in real estate, lenders or stockbrokers, I can tell you there is in Canada renewed confidence, so that these fine people are looking forward to investing more, increasing their share of the market and, therefore, their purchasing power, with a great many spinoffs for each and every Canadian in their everyday lives.

● (1710)

[English]

Mr. Don Boudria (Glengarry-Prescott-Russell): Mr. Speaker, I am pleased to participate in the debate today on Bill C-80. It has been said that happiness is never having to say that you are Tory. I can understand why people feel that way, especially after listening to those who are in favour of Bill C-80, an Act to amend the Excise Tax Act and the Excise Act and to amend other Acts in consequence thereof. That is as it

is known in parliamentary language. It would be far better and far easier for a majority of Canadians to understand if the Bill were entitled an Act to take from the poor and give to the rich. That would probably reflect much more of the reality of what the Bill does.

What does the Act to take away from the poor and give to rich do? It raises the tax on television programming from 6 per cent to 7 per cent. It increases excise tax on wine. It repeals a section of the Excise Tax, the effect of which is to impose sales tax on certain building components and materials. It increases the federal sales tax from 10 per cent to 11 per cent. It increases the gas tax by two cents per litre on September 3, 1985 and one cent per litre on January 1, 1987. It increases the excise tax on cigarettes, tobacco and cigars. It imposes sales tax on carbonated beverages, candy, confections and pet foods. It also puts sales tax on certain health foods. Of course there has been a back-peddalling by the Minister of Finance (Mr. Wilson) on this particular measure, but it also imposes sales tax on energy conservation equipment, thereby indicating the bias of the Government against energy conservation. It imposes sales tax on previously exempted construction and building materials. That is what the Bill does.

I was interested in hearing the last Conservative Member who spoke on this matter. He said that he was in favour of all those hideous things. I want to record to show just what the previous speaking was in favour of. Now you can understand, Mr. Speaker, why the Bill should be named an Act to take from the poor and give to the rich, as I previously described.

Why do we need to have sales tax increases? How much money will be generated by them? I have a confidential table which was leaked from a cabinet document to which reference has been made before in the House of Commons. It talks about the fact that \$174 million more will be generated this year as a result of the Bill, \$1.2 billion next year, and \$4.5 billion in 1990-91. I draw the attention of the House to the boondoggles or mistakes of the Conservative Government of the last few months, coupled with giveaways to its friends, which will cost a similar amount to the taxpayers of Canada.

[Translation]

As a specific example, Mr. Speaker, I should point out that Canadian taxpayers will have to pay over \$1 billion to finance the Gulf deal. All this will be done with the good wishes and compliments of the Minister of Finance (Mr. Wilson), the Minister of National Revenue (Mr. MacKay) and the other members of Cabinet.

Then, Mr. Speaker, Canadian taxpayers will have to pay about \$2 billion for the Northland Bank and Canadian Commercial Bank disasters. Once again, this will be done not to bail-out a financial institution, but to save the credibility of the Prime Minister of Canada (Mr. Mulroney) because he was attending a conference and did not want to be embarrassed by the failure of a bank.

Third, Mr. Speaker, there is another Government fiasco which will cost a number of jobs in Canada, even though its