

which contains a breakdown of the Government's estimate of spending for each Department. There is no parliamentary input on the Estimates before they are prepared. The only thing we can do is to object to an Estimate. Members will recall that on the last Supply day in the spring term there was a series of votes whereby a Member objected to an Estimate, put it before the House, and the Government moved to have the Estimate reinstated. I do not know of a method less effective than that by which Parliament is supposed to come to grips with government expenditures.

● (1140)

Under the present system the Government is totally responsible for the budgetary and tax measures. Until now it has refused to let Parliament really become involved in how taxes are raised and how expenditures are given priority. If you have so many dollars you can spend on the environment, where do you spend it? Do you spend it on a park, on protecting wildlife, or on cleaning up improper waste disposal? Where do those priorities fit in with pension, transportation or job training expenditures? It should be Parliament that decides on those priorities, but our present system does not permit Parliament to do so. Presumably the priorities are determined somewhere in the Treasury Board or Cabinet. Perhaps they are not determined at all. Perhaps Budgets are determined on the basis of what was spent the year before and you add 4 per cent.

Clearly, Mr. Speaker, we must have a better system in order to come to grips with our expenditure program. Clearly we need a method whereby parliamentarians, in committee, can go over Government priorities and determine among themselves, from a zero base, how much ought to be awarded to one envelope or another. Until we are prepared to do that, the system will be without a budgetary control mechanism because at no time under our present system do Members of Parliament ever get together and go over the whole Budget and determine priorities on the basis of available funds.

Sir, I have made these suggestions before the committee which is studying new procedures for the House. I say to you that unless we are prepared to take this kind of action, we will be faced with one little Bill after another coming before us. This particular Bill taxes various economic activities at varying rates, 14 per cent, 7 per cent, 11 per cent. However, there is no relationship between how this Bill raises money and how the money is spent, whether it be on retraining programs or defence programs or anything else. It is a Bill to raise money, but there is no relationship between it and the needs and demands of our constituents and their children. Therefore, we need a committee of this House which will look at the total revenue raising potential in co-ordination with the necessary expenditures. Then we will have a handle on where we are going, because at present we have no such handle. Unless we as parliamentarians do this and do it fairly quickly, we are going to continue to receive great, big, thick blue books with all sorts of Estimate breakdowns which do not help us and do not give us any idea of expenditure priorities. They are all presented as equally important and therefore we will vote for

Excise Tax Act

them. The tax measures which come in will be equally important, as will the borrowing requirements, but there will be no co-ordination between tax and expenditure. That is why I say it is important that this Parliament comes to grips with our problem generally.

Mr. John Parry (Kenora-Rainy River): Mr. Speaker, it is a pleasure for me to rise and join in the debate on Bill C-80. Previous speakers have emphasized at considerable length that this Bill represents a large part of the income side of the Budget and that its primary purpose is without a doubt to raise money. At the outset I want to say everything good which can be said about this Bill, and I know Government Members will endorse that. I will then spend the other 19 and a half minutes pointing out what is wrong with Bill C-80.

It is my belief that the introduction of the search and seizure provisions, similar to those proposed for the Income Tax Act and which have been instituted in the system, is indeed a step long overdue. The idea that taxpayers may at least have some possibility of being considered innocent until found guilty is worthy of incorporation in the income tax system, and I am glad to see those principles extended to the Excise Tax Act through Bill C-80. It seems to me that the institution of provisions which will allow the taxpayer to exhaust his, her or their appeal remedies before the tax becomes due and payable is inherently fair and much more in accord with principles of natural justice than the previous regime of pay up now and we will settle whether you owe us anything later.

As has been said, the rate of the federal sales tax is increasing by 1 per cent. For the record, that will mean that from now on a 7 per cent tax will be payable on construction materials. I do not intend to enumerate all the items subject to increased taxes but I want to look at the larger items. One of the measures in this Bill which I see as most pernicious, the one most worthy of opposition from this side and, indeed, from that side of the House, if there are any Members who care to do so, is the introduction of the federal sales tax on a wide range of what we might call near-food items. Specifically, the sales tax exemption for candy and confectionery has been repealed, along with those for soft drinks, pet foods and certain health goods. I would like to concentrate on those two categories and see what sort of effect this has on Canadian consumption patterns and, by extension, on Canadian society.

● (1150)

It bothers me to see a measure coming in which taxes these near-food items, because there is only a very fine line remaining between those near-food items and items which are genuinely and legitimately part of people's every-day diets. In fact, I would go so far as to say that many items covered in the exemptions that are being repealed are legitimate parts of the every-day diets of Canadians today. We all know of people whose workstyles and lifestyles are run at such a pace and in such a manner that they do depend on snacking between meals to supplement their nutritional intake. I would say that in spite of the many legitimate things that have been said about the near-food items such as candy and confectionary, there are