

Supply

The point is well made and Conservatives of all people should know it, real Conservatives that is to say; not this fraudulent bunch of 19th century capitalists we have over there. They should know the importance of institutions and the importance of maintaining institutions. But that insight has long since been buried somewhere in the republican mentality of the group over yonder.

We are talking about the estimates today and of course the estimates have to do with spending. I asked a question with respect to government spending and taxation revenue policy in the House on Friday, June 5. It was a question I had asked before and to which I keep getting a non-answer. It is like I am speaking a different language. It is the dialogue of the deaf. My leader has raised this question as well.

It has to do with the intention of the government to bring in legislation with respect to trusts on which we were protected from taxation in 1972 by the Liberals, by what is called the 21-year rule.

What happened is that in the Liberal tax reform of 1972 when the inheritance tax was removed and a partial tax on capital gains was introduced, the Liberals introduced a measure which had the effect of saying that these trusts would not be taxed until January 1, 1993. Now we all know how close January 1, 1993 is getting to be.

These are private trusts so one is able to say just exactly how much money is involved here. Estimates run as high as \$70 billion, but certainly several billions of dollars are involved. Many of these trusts are the trusts of some of Canada's wealthiest families. We are not talking about ordinary Canadian families here.

This would be money, if it were to be taxed as it was intended to be taxed for the last 21 years, that could go toward the deficit, if the government were serious about fighting the deficit or if the government were serious about having everyone share equitably in deficit reduction.

We have asked this question repeatedly of the government: why is it bringing in draft legislation to further protect these trusts? We cannot even get the government to acknowledge the substance of our question.

I asked the minister of June 5 why he was bringing in this particular legislation. I mentioned the legislation by name. I described it so that there could not be any confusion as to what I was actually talking about. He

said: "Mr. Speaker, I know the position of the New Democratic Party has always been to tax Canadians into submission. What is important is that we have a competitive tax system". No mention of the question I actually asked, and certainly no answer.

The same thing happened in the next exchange between myself and the minister. Here we had the Minister of Finance of the government which was responsible for bringing in the GST, chastizing me as a New Democrat for wanting to tax people to death. The difference is: who is being taxed to death here?

The middle class is being taxed to death, yes, but not by the NDP. It is by this government that has brought in a form of tax reform over the last eight years which has seen the burden on the middle class go up and up and the burden on the very wealthy minority at the top of the tax structure actually reduced.

I was asking the minister if they are serious about equitable sharing of deficit reduction, allowing this 21-year rule to run out and tax that money in the trust. If some special consideration needs to be given to certain kinds of trusts that exist for disabled children or something like that, it could be done some other way. We do not have to do it in a way to hit a certain minority of these trusts that may have to do with disabled children. We are going to exempt them all.

• (1110)

There are ways to do it. It seems to me that a couple of very well placed calls from high places have been made to the Minister of Finance. He gets up and says: "We must not tax Canadians to death". We must not tax the Bronfmans to death. We must not tax the Reichmanns to death. We must not tax other wealthy Canadian families to death who no doubt have some part to play in some ownership of these trusts".

Why is there concern for this group and no equal show of concern for the many Canadians who are not only being taxed to death but do not have the money to be taxed to death with in the first place.

This is the sure sign, the government bringing in this legislation, that it is not serious about real tax reform, that is not tax reform as Canadians understand it. Tax reform as Canadians understand it is tax reform that is fair. It is tax reform that makes Canada's tax system more progressive, not less progressive, as has been the case with the Tory tax reform since 1984.