

*Excise Tax*

warehouse and most retail stores that will require paper changes. We have created a paper monster, and a bureaucratic nightmare which is fuelling the fires of inflation.

Walter Hitch, President of Kolmar in my town, states that the cosmetic industry will not be taxed in the same manner as other manufacturers of consumer goods. I have heard also from John Rogers, President of Molson's Brewery. My list goes on and on.

Mr. Lumsden, head of the independent wholesalers wrote about the 600 retailers he serves and what it will mean to them. He says he is a fairly organized businessman and he finds it incomprehensible. Next we come to the pharmaceutical industry. I can go through the whole gamut of what this measure will do to the independent businessman of Canada. This is on top of the imposition of the nightmare of metric and the taxation on oil.

Taxation indexing is not what is required, but, as Reuben C. Bellan stated in the *Trudeau* star "but increased productivity is what we need." May I repeat to the hon. minister of Finance what Cromwell once said to the British autocrat: "If you cannot handle the finance portfolio, in the name of God, go!"

● (2050)

**Mr. Taylor:** I rise on a point of order, Mr. Speaker, because during the first half of the address by the hon. member for Simcoe South (Mr. Stewart) the hon. parliamentary secretary, the member for Ottawa Centre (Mr. Evans), stood outside the curtains holding his drink, I guess of coffee, and did his interrupting. If he is going to interrupt, the least he could do is follow the rules and be present in the chamber.

**The Acting Speaker (Mr. Blaker):** I regret to inform the hon. member for Bow River (Mr. Taylor) that it is not necessarily part of the tradition of heckling that hon. members be inside the curtains.

**Mr. Taylor:** On the point of order, Mr. Speaker, could the hon. member get up in the gallery and heckle? If he cannot do so, why can he do so from behind the curtains? Come out in the open, don't be afraid.

**Mr. Evans:** I am not afraid of you, Gordon, not at all.

**Mr. John Gamble (York North):** Mr. Speaker, in rising to participate in this debate on Bill C-57 it is significant to note that from the earliest of times, in terms of the parliamentary system, the public, represented by their elected representatives, has been very jealous of the control by government of the taxation of the citizen. It is accordingly with some regret that we note that the system implanted permanently within the tax framework, as established by Bill C-57, has the effect of removing that direct participation by members of Parliament in determining what the tax laws of the day shall be.

Before my colleagues to the left scream that this is the very thing that has happened recently in the province of Ontario in the recent provincial budget, let me say I agree, and the comments I have in respect of this government will apply

equally to any government which endeavours to impose tax without presenting to the elected representatives of the Parliament or legislature to which they belong an opportunity to discuss and vote for or against a particular piece of legislation. I do not think it matters whether the government is provincial, federal, Conservative or Liberal, or in an unusual circumstance, NDP, and I say "unusual circumstance" because fortunately the country has had so few of them.

**An hon. Member:** Go west.

**Mr. Gamble:** The hon. member suggests I go west. I have been west. The great people of western Canada had an opportunity to get rid of a canker that had infested them in British Columbia, and hopefully that kind of circumstance will not recur.

In any event I think it is appropriate that members of this House have regard for the change that is occurring. That change is not one we should accept without very substantial and recognized complaint. We have seen changes in this place in respect of our ability to stand and speak for or against a particular issue; changes in such innocuous pieces of legislation as the Canada-Germany Tax Convention which contains a provision by which there is no legislative enactment, in respect of changes, without the imposition of closure, which is built into the very piece of legislation presented to the House and subsequently passed. This is the same kind of creeping undemocratic authoritarianism about which all members should be concerned.

The provisions of Bill C-57 go far beyond that and that alone. They permit the growth of an element in our economy, sought allegedly to be retarded by the government. The Prime Minister (Mr. Trudeau) just the other day, in a very learned dissertation on what the psychology of inflation entailed, indicated that some people believe that because prices are going to increase, it is appropriate that those people increase the price of their product or their services. In the process, they increase those prices in excess of what is really required. Of course, those people of whom he spoke include the members of his own cabinet who have brought before the House this piece of legislation.

It is the personification of the inflation psychology which drives prices up, and this is allegedly opposed by the government. Yet, because of the way in which it fixed its ever-increasing tax bite in respect of excise taxes, it is clear that by fixing them, in relation to certain products covered by the Act, to an element of the consumer price index, the government has given a clear signal to the entire population of Canada that it expects the consumer price index, as it relates to those elements, to increase. The government has made an announcement to Canadians generally that tomorrow the prices of those goods will be higher than today. How has the government made that announcement? It did so by suggesting that its revenues be tied to the prices as they increase.

An ad valorem tax would similarly go down in the event that the price of the commodity, as an element of the consumer price index, was reduced. Of course, the government knows