

### *Time Allocation*

and again I heard my colleagues suggest what the Government ought to be considering in terms of getting our economy back on track. Suggestions were made for kick-starting our recovery back to life, how to improve the forest industry, how to improve construction opportunities, what to do about the failing fisheries industry, how to assist agriculture, and how to provide assistance to small and medium-sized businesses in this country. One could go on and on.

The last number of days in which we have reflected on Bill C-21 have been very useful. When I look down the long list of suggestions and proposals put forward by Hon. Members, I believe that eight days on a borrowing Bill of nearly \$30 billion is not an unwise use of the time of this House. I remind the Minister of State for Finance, who is responsible for this Bill, that when you peel away all of the rhetoric around this question, you find that there are basically two reasons why we have a federal Government. The first is to collect taxes through a system that is fair and in a manner that is equitable. The second is to take those taxes which have been collected in a fair and equitable manner and expend them in a wise way. This will result in an improvement in the economic stability of the country and an improvement in the lot of the average Canadian citizen. By and large, Mr. Speaker, I believe that that is the role of the Government.

● (1540)

Just the other day, it was brought to the attention of Hon. Members that Wood Gundy, a very reputable firm, sent out a letter to its clients and prospective clients suggesting that if one's income was at least \$40,080 a year, Wood Gundy could arrange one's financial affairs so that one would pay no income tax at all. In other words, Wood Gundy was saying that it could take advantage of the 200 and some loopholes provided in the Canadian tax system and arrange one's finances so that one would have to pay no income tax at all. Of course, the Minister of Finance (Mr. Lalonde) has brought forward a number of budgets in the past session as well as in the present one which include a handful of tax concessions or, as I like to call them, tax loopholes for select groups of Canadian citizens. I believe that you would have to look long and hard, Mr. Speaker, to see how Canada is advantaged by these tax loopholes.

The other day in Toronto, the President of the Bank of Montreal, Mr. Mulholland, made the case that the corporate sector of Canada is awash in tax concessions. In other words, one of the chief executive officers of Canada's banking establishment is saying that we cannot take any more tax concessions from the people of Canada simply because we cannot invest them as wisely as we should.

I have talked about the collection of taxes, which brings me to the question of how these tax moneys are expended. Are they always expended in a wise way? Are they always expended by a Government that has thought through the implications of government expenditures? When looking at the track record of this particular administration, there is absolutely no way that one could make the case that a great deal of thought has

gone into the expenditures we are asked to approve on a regular basis. I will use two or three examples of that that have been brought to our attention as of late, Mr. Speaker.

The other day we were debating the decision of the Minister of State for Small Businesses and Tourism (Mr. Smith) to expend a number of dollars south of the border in order to attract Americans to visit Canada on holidays. It seems to be an honourable goal to spend millions of taxpayers' dollars to attract visitors to Canada so that our hospitality and tourist industry could be stimulated. On the other hand, we have just found out that, as a result of other legislation, the Government has increased through the tax system the cost of gasoline in the country. When American visitors drive their vehicles into Canada, the avenue of transportation which most would pursue, they find that their travel costs are significantly greater than at home. This would certainly act as a retardant to visiting Canada. As well, taxes are levied on such commodities as alcohol. When someone from the United States come to Canada and wants to have a glass of wine with his dinner or a small cocktail before or after his dinner, he finds that the costs are significantly higher in Canada than they are in the United States.

There is an absence of any overall conceptual planning for the hospitality and tourist industry of Canada. Provincial governments are acting independently and in many cases are imposing room taxes and additional food taxes on our visitors. At first glance, those food taxes may appear to be fair and equitable but, like most taxes, they are not. I refer to the 7 per cent tax on food in the Province of British Columbia, which tends to tax family-oriented restaurants most heavily. In small eating establishments, people must pay a 7 per cent provincial tax on any bill over \$7. It does not apply to the Wendy's or McDonald's chains. In other words, the national or international fast-food chains do not pay the 7 per cent food tax.

**Mr. Blenkarn:** Don't you know the tax in Ontario applies to hamburgers?

**Mr. Riis:** I am talking about the tax in British Columbia at the moment. The point I am making, Mr. Speaker, is that even a tax that has been instituted by the Province of British Columbia works against the development of a strong and vibrant tourist industry.

In summary, I say that our taxes are being collected unfairly. The tax system is inequitable and is biased in favour of the large corporate sector at the expense of the small and medium-sized businesses. Our tax system is biased in favour of the upper income earner at the expense of the average and low income earners of Canada. There is no rhyme or reason to the expenditures of the Government. There is very little if any planning being done. There is very little strategic thinking about how we can best invest the taxpayers' money to ensure economic returns in the future.

The Government comes before Parliament and asks for authority to borrow \$29.55 billion and hears countless hours of suggestions, which the Government simply ignores. It simply turns a deaf ear on the dozens and dozens of positive, creative