

*Excise Tax*

ment, many small businesses, should receive some form of compensation from the government has been rejected out of hand. Indeed, we may even have difficulty moving it because of the ruling of Madam Speaker in respect to its being in order in that it obviously provides for some expenditure by the government. The government should be moving that kind of a motion.

This is the government that talks about its willingness and eagerness to assist small business, when in fact its interest rate policies are, as we all know, having the harshest possible effect on that community, driving many into bankruptcy. Those that are not driven into bankruptcy are facing tremendous problems. Many of them are being forced into receivership and many are forced simply to walk away from or sell their businesses because of the problems high interest rates are causing them. Yet when we propose a concrete measure which would give the government a means to compensate these industries and small proprietors for a service they are providing the government, the government says no.

I find that astonishing when we know—and the hon. member for Kamloops-Shuswap will be pointing this out in some greater detail—that there are instances in each and every province of compensation being paid. I should say there are two exceptions. In Newfoundland, for reasons which perhaps the hon. member for St. John's West (Mr. Crosbie) can explain to us, compensation has been limited for the collection of sales tax. Of course, there is no compensation in Alberta because in the land of milk and honey there is no sales tax, so obviously there can be no necessity for providing compensation. The province of Saskatchewan provides 5 per cent on the first \$300 of sales tax and 1 per cent on the balance. The provinces of Manitoba, Quebec and Ontario provide, in some instances, a maximum of \$1,000. Some have no maximum, but the principle has been adopted that those people who collect the sales tax for a province should not be punished by the provincial government but should in fact be compensated for providing that provincial government with a service. When we suggest that the government do something specific for smaller businesses then, of course, members of the government simply hold up their hands and say: "No way, this is something we do not want to get into; this is something these people should be providing the federal government with gratis, and we will have nothing to do with it".

Again we received a series of briefs ranging from wholesale rejection of the tax, in some instances, to very specific and concerned suggestions, for example, from a group of newspaper publishers in Quebec and in English-speaking Canada, having regard to the impact the government's measures on taxation of advertisements and advertising supplements in those newspapers will have on their business. I can assure the House that this is a subject of concern to a great many communities across our country.

It is the proposal of the government to tax these supplements and to introduce an arbitrary definition of what is a newspaper. This is something which affects the life of literally hundreds of communities across Canada, yet the government's

consistent response has been: "No, we do not see that we can change it". The government and bureaucracy has made a fundamental decision with regard to these distinctions and they are not going to be tampered with.

Before the Secretary of State and Minister of Communications (Mr. Fox) leaves, there is one amendment we put forward in respect of which I want him to take a particular interest, and it has to do with the government's philistine decision that it intends now to tax all original prints and will not make any distinction between reproductions that are simply manufactured and original prints which are, by their very definition, of a limited nature.

Let me say that we have had intensive discussions with people in the department who are concerned with this matter, and I think I can honestly say that this department simply does not understand what every artist and every art dealer has indicated to the government, at great effort, is a well-known distinction. There is a distinction between an original print and a reproduction which is simply reproduced photomechanically and distributed across the country. There is a difference between an Elvis Presley poster and an Alex Colville lithograph. For the government not to appreciate that there has been a fundamental decision taken by the federal government, which we support and have supported, namely, that works of original art are to be exempt from the sales tax, and for the government to say, once that decision has been taken, that there is no such thing as an original print, is simply to show that the Department of Finance has been philistine in its understanding of what is going on in the artistic community today.

The fact of the matter is that most or a great percentage of contemporary artists in Canada today are working in a variety of fields and mediums which cannot be described as works of art in the sense they have been defined by the Department of Finance; they are working in the area of prints and the manufacture thereof for limited sale and distribution. There is a distinction. In fact, there is a conceptual distinction, an artistic distinction, between them and, as I say, the photo-mechanical reproduction of a poster or a painting.

Many of us have in our offices or homes reproductions of well-known works of art. They are not original prints and there is no reason they should not be regarded as manufactured and taxed; but there is a distinction between those and an original print produced by the artist himself and distributed on a limited basis throughout the country. As the hon. member for Kamloops-Shuswap says, it is a slap in the face for the artistic community and simply indicates that the ministers involved have not taken the time to become sufficiently interested in the sort of problems which have been raised in the committee and in correspondence by a whole range of people.

The government must give every citizen who has to deal with it a tremendous sense of frustration, because no matter how reasonable a proposition that is put forward, the government rejects it. It does not matter how much the person putting forward the proposition shows that he is not simply trying to evade taxes but is simply showing that the imposition