

Excise Tax Act

ment. Had we followed those same policies the effect would have been exactly the opposite. For example, when I look at another indicator, the value of the Canadian dollar, I can see that when the Liberal Party came back into power in 1980 it inherited a dollar at .837. By December, 1984, it had gone down to .756. It is now slowly climbing back because of the policies of this Government.

Another matter concerns the Hon. Member for Algoma; he mentioned the metric situation. He seems to have forgotten that it was the Progressive Conservative Party which put forward a motion in this House to allow the use of Imperial measurement in the sale of gasoline. Not only that, the Budget of the then Minister of Finance, now the Minister of Justice (Mr. Crosbie), presented to the House in 1979 was in Imperial measure. It was the Government of the Hon. Member for Algoma, when it came back to power in 1980, which instituted the metric system for the taxation of gas. Therefore, I think he should remember some facts even while he allows himself these very poetic and theatrical stories in this debate.

It is a fact as well that the Minister of Agriculture (Mr. Wise) has helped farmers more than all previous Liberal Governments. An example of that is that in our first Budget we introduced the abolition of the capital gains tax on the sale of farms. This will go a long way toward helping the passing on of family farms from parents to children. I have seen Liberal Member after Liberal Member as well as NDP Member after NDP Member get up in this House and condemn the abolition of this tax. They talk about a gift of \$500,000 to supposedly rich people. What they are talking about is the average value of a farm in my riding. One can hardly say that riding is populated by very rich people. As well, the abolition of the capital gains tax, which is a gradual measure as Members are well aware, will help small business. Very often, when small business could have had access to capital, they were stopped from doing that because of this tax on capital gains. A business could not liquidate some shares it might have, for example, in some larger company or some guaranteed investment because of the fact it would face a very high tax on capital gains. This is not a measure for rich people, it is for small and medium businesses. Moreover, when we look at the statistics for the current economic situation, we see that housing starts averaged 185,000 in the third quarter. That gives us an annualized rate of 197,000 units in September. This is an increase of 19 per cent over the level of the second quarter, on top of a 24 per cent increase in the second quarter.

Obviously, Mr. Speaker, we do not enjoy increasing sales taxes. It is true that a sales tax affects everyone across the board and that it does not differentiate between people who are in a better position to make some sacrifices in things which are not essential to their lives. However, the fact remains that the choice was between increasing income tax for everyone and not being able to increase the child tax credit and not being able to continue with some of the programs which we have maintained. Our unemployment insurance fund, for instance, was exhausted by the middle of spring to the point where programs such as the Article 38 program, which was of very

useful to small businesses, no longer had any funds to extend in order to create jobs.

● (1620)

Something had to be done and the Budget which was presented was an attempt to try, in an over-all rather than an ad hoc way, to increase revenues to allow us to maintain and improve programs for people who need them most, and also to put us in a better position to take advantage of renewed confidence.

That is the key, Mr. Speaker. When the Member for Trinity was talking about the report of the Conference Board of Canada she omitted to say that you cannot measure confidence and, therefore, when a report such as the one of the Conference Board is issued, it only measures those indicators which are very visible and tangible. It does not measure intangibles such as investor confidence or consumer confidence which is much more important. Therefore, Mr. Speaker, I think that this debate has not really been to the credit of Members opposite. They have wasted time with exaggerations. It would be unparliamentary for me to say what they were doing in this House, but let us say that it was as far from the truth as we are from St. John's, Newfoundland.

Mr. Ernie Epp (Thunder Bay-Nipigon): Mr. Speaker, when joining in this debate involves listening to some of the charges we have just heard, it requires a certain measure of self-control. It is obvious that the disagreement about what the effect of this set of tax measures may be can very easily lead to personal charges. That seems regrettable. I suppose that is one of the things that Members fall back upon as a response to the kinds of attacks that they would themselves probably have made if they were in the Opposition. In this case, of course, I am talking about Conservative Members. I expect that if they were in the Opposition and it were a Liberal Government proposing these things, they would be involved in saying the very same sort of things that we are saying now. Given that sort of reality, it is probably inevitable that in the process of defending the Government they will, in fact, stop the observations that are quite unworthy of Hon. Members. I shall endeavour, in my own comments this afternoon, not to do that sort of thing.

In taking part in this debate on Bill C-80, a proposal to increase federal sales and excise taxes, I want to provide a response to some of the observations we have heard, particularly from the Member for Simcoe North (Mr. Lewis), who suggested that we were merely producing noise over here which had no substance, that we had, in fact, no alternative, and that we were merely filibustering and killing time. That is one package of charges, Mr. Speaker, which is also, it seems to me, quite unworthy of Members on either side of the House.

To be faced with a closure motion so early in the debate on an important tax measure is, in itself, an action which all members of the governing Party should regret together with those of us in the Opposition. Surely, Mr. Speaker, to introduce time limitation on only the fourth day of debate, forcing us to a vote this afternoon resolving the matter,