

Government Orders

The tax will be applied to the sale of lottery tickets. Saskatchewan already applies a tax to lotteries. We call it "the tax on dreams". The people of Saskatchewan are turning their backs on the provincial government because of this 10 per cent extra tax on lotteries. Can you imagine what will happen when there is another 9 per cent added to the cost of this so-called tax on dreams?

That affects the Exhibition Association and the running of our fair in that the fair organization makes money by renting stalls to charitable groups and organizations for the sale of raffle tickets. One organization will be raffling a crocheted item, another one maybe a large quilt that has been made by a large number of people. The funds raised by these raffles are used for community events. The cost of those raffle tickets in Saskatchewan has more and more reduced the sales of them. The charitable organizations putting on those raffles are no longer coming to the fair and renting the stalls.

The addition of the goods and services tax means that the revenue base that is available to the Exhibition Association is less. It will not be long before we find that the Exhibition Association no longer has the revenues it needs to provide that fair which brings tens of thousands of people to our community in the Battlefords for those fair days. That is money that is not going to be spent in our community on other things like restaurant food or hotel rooms, all of which will be subject to tax which were not taxed before.

I want to raise briefly one other example. I am looking forward to quite a large block of time offered in this House to discuss this matter more fully. The North Battleford City Kinsman Band, an organization that is sponsored in part by a local community group which provides music lessons for young children in our community, is going to have to raise an additional 8.7 per cent in operating funds just to survive from year to year because of the imposition of the goods and services tax. This is a horrible situation.

This band, the number one marching band in Canada right now, as a result of Canada-wide competitions may not exist, according to the bandmaster and the band's parent association, in three years time because of this goods and services tax forcing the cost of music lessons up, increasing the costs that parents have to pay to have those kids in that group. It does not qualify under the charitable provisions of the goods and services tax for any rebate whatsoever.

People from many other sectors talked to us including tourism, hospitality and agriculture. I look forward to talking about those sectors at another time.

Mr. Jack Iyerak Anawak (Nunatsiaq): Madam Speaker, it is always an honour to get up and speak to this house as the member from Nunatsiaq, the good land, the beautiful land. Before the end of the Thirty-fourth Parliament I intend to ensure that all members know more about the area I come from. Hopefully, some of them will be able to come up to see for themselves, as my colleagues from my party had the good sense to do over the course of the summer. I invite anybody who is willing to come there to see for themselves not only the beauty of the land, but also the way people live up north and how hard it is to live there with the cost of living being as high as it is. I would like to touch on that during the course of my speech addressing the bill on excise tax.

I am pleased to have the opportunity to speak on Bill C-20, an act to amend the Excise Tax Act and the Excise Tax. This bill implements certain changes announced in the budget of last April concerning excise taxes and duties on tobacco products and gasoline and increasing sales tax rates pending the implementation of the goods and services tax.

• (1900)

Last June, at second reading of this bill, the Minister of State for Finance said: "The measures taken in the April budget were carefully chosen to ensure a balanced approach that takes regional situations into account and that imposes the heaviest burden on those who are most able to bear it". On behalf of northerners I would like to challenge that statement.

In referring to the federal sales tax as the centrepiece of another government strategy to strengthen Canada's economy and preserve essential programs, the minister said: "The sales tax will result in significant gains for economic production in all sectors of the economy and all regions of Canada". Again, on behalf of northern regions of this country, I challenge that statement as well.

A budgetary measure which is being implemented with this bill is an across-the-board increase in the existing federal sales tax rates in advance of the goods and services tax. The federal sales tax rate increases are, according to the government, a revenue bridge to the new goods and services tax.