

Excise Tax Act

The Acting Speaker (Mrs. Champagne): A short answer from the Hon. Member for York South—Weston.

Mr. Nunziata: How can I help but not agree with the statements made by my friend and colleague from Hamilton East? She is quite correct. This regressive tax measure ought not to be in place. It discriminates against people in the North. It discriminates against seniors. It discriminates anyone and everyone who uses long distance.

Ms. Copps: Not in Toronto.

Mr. Nunziata: In Toronto as well, we make long distance calls as well.

The point is that the Government misled the people of Canada when it said that it would not increase taxes. It has increased taxes right across the board. It is patently unfair. All those Tory Members across the way should hang their heads in shame.

The Acting Speaker (Mrs. Champagne): Resuming debate with the Hon. Member for Winnipeg North Centre (Mr. Keeper).

Mr. Cyril Keeper (Winnipeg North Centre): Madam Speaker, it is good to get some relief—

Mr. Nunziata: Comic relief.

Mr. Keeper:—from this partisan bickering which has been dominating the Chamber for the last little while. I hope that “partisan bickering” is not an unparliamentary phrase. I would not want to get immersed in what has just been taking place over the last few minutes.

The Acting Speaker (Mrs. Champagne): The Chair also hopes that this is not contagious.

Mr. Keeper: Madam Speaker, I thank you for your assistance.

Some of those people who are watching may be surprised to know that the piece of legislation before the House is an Act to amend the Excise Tax Act and that it has to do with sales taxes. I just want to mention a few of the things with which these increased taxes have to do.

There is a 10 per cent tax on telecommunication services, telephones, telex services. There is an increase in the telecommunications programming tax on cable and pay-television services. There is an increase in the sales tax on paint and wallpaper products. There is an acceleration of federal sales tax and excise tax remittances. There is an increase in the federal sales tax on beer, spirits, wines, and tobacco. The list goes on and on.

● (1530)

These increased taxes did not come about as an act of God. They came from a series of Budgets that the Conservative Government imposed upon Canadians. The Acts that we are

dealing with today concern the Minister of Finance's Budgets of February 18, 1987 and February 10, 1988; his June 18, 1987 White Paper on tax reform, and his December 16, 1987 tax reform paper.

What we have here are a series of tax increases coming out of papers that the Government called “tax reform”. In a nutshell, that is what this debate is about. It is the Mulroney Conservative Government imposing tax increases upon Canadians in the name of tax reform. In the next few months, by sleight of hand, the Conservatives hope to create the opposite impression from what they have in fact been doing. We all know that in July people will be receiving some small measure of tax relief. When one looks at the over-all balance of things and takes into account all of the increases in tax burden that the Conservative Government has laid upon the backs of ordinary Canadians, the tax relief that will be delivered this summer is but a fraction of the tax increase. The over-all balance will mean tax increases.

In sum, Madam Speaker, tax reform to Tories spells tax increases. As a result of the Conservative Budgets over the last few years the average family is facing an increase in tax burden of \$1,500. This might be justifiable if everybody else had been required to bear the same burden, or the money was being spent so wisely that it was evident to every Canadian that a tax increase was necessary.

Let us look at the first aspect of that proposition. Is everybody else carrying their fair share of the burden? What about corporations? What about large, profitable, powerful multinational corporations in Canada that make millions of dollars in profits and end up paying no taxes? In 1987, Xerox Canada made millions of dollars of profits and paid no taxes. The same holds true for a whole series of large and profitable corporations. Not only did those corporations pay no taxes and therefore set the tax burden that ordinary Canadian families have faced as a result of Tory policy in an unfair context, but many of those corporations received tax credits. They received dollars from the taxes of ordinary Canadians. In some cases, large corporations which made hundreds of millions of dollars in profits received tens of millions of dollars in tax credits as gifts from the Conservative Government of the day.

I do not wish to be overly partisan and say that this idea was originated by the Conservative Party, because I am aware of the fact that this trend was started under previous Liberal Governments. This policy of going easy on profitable corporations and going tough on ordinary Canadian families was started by the Liberals.

When Canadians voted for change in the last election, it is unfortunate that they did not receive real change. They did not get a government that was going to bring about real tax reform. Instead, they got the same old Liberal policies under a new partisan label. They got tax reform that translated into tax increases.

Mr. Redway: Pass it and we will get some tax reform.