

*Excise Tax*

fair share equally and equitably. That is the basic principle of an excise tax. You may agree or disagree with it, but that is the principle and that is what the amendments were meant to do; to plug loopholes or make application of the tax more equitable. Those were the reasons for the amendments, regardless of by whom they were proposed.

With that in mind, Mr. Speaker, perhaps we can look at some of the specific criticisms levelled by the opposition at the government for the ways in which changes were put forward. Specifically, I will try and deal with the various concerns brought forward by the hon. member for Kamloops-Shuswap.

It was pointed out by the hon. member at the outset that the government had given inadequate thought to the legislation. I hope I am wrong, but I think the reason the hon. member felt that way is that when the bill was put forward to committee a great many people wanted to make representations. Now, to my knowledge this is the first tax bill ever referred to a standing committee of the House, at least in recent history. Tax measures and measures dealing with supply are always dealt with in a Committee of the Whole.

**Mr. Riis:** Never again.

**Mr. Evans:** As a result, Canadian citizens do not have an opportunity to make representations except through their member of Parliament. When you are dealing with a tax bill and it goes to a standing committee and representation is asked for, it is not surprising that you get people who want to make representations. However, Mr. Speaker, it is also not surprising that you have representations because you are dealing with taxation, and any time you do that you are saying flat out that you are going to take something away from someone in order to finance programs or whatever. Someone is going to have a tax imposed on them that they did not have before, or they are going to be heavier than before. Of course, others might have a reduction in taxes. However, if I am a businessman, consumer or ordinary citizen and I find that a new tax is going to be imposed, or my taxes are going to be increased, I will want to make representations.

It does not surprise me at all that Canadians made representations. However, the question we as parliamentarians have to ask ourselves, which we did in looking at the representations that were made, is this: in light of the principle of tax equity and fairness is the burden being placed on this group of Canadians unfair? Is it inequitable? Is it heavier than the burden being placed on others in the same occupation, profession or industry?

**An hon. Member:** Yes, it is.

**Mr. Evans:** That is the guiding principle, Mr. Speaker.

**Mr. Nystrom:** Terrible Liberals.

**Mr. Evans:** That is the question we asked ourselves and which guided us in determining whether or not certain proposed amendments could be acceptable.

**Mr. Taylor:** Why did you put it all on the west, then?

**Mr. Evans:** Mr. Speaker, that has to be the foundation upon which the government determines whether it will accept this amendment, whether it will or will not make this change. Because to make that change would take some of the proposed tax burden off this group but leave it on others. As a result these people would be unfairly treated relative to other Canadians in the same field.

Now, Mr. Speaker, some of the groups that came before us said that because of their particular circumstances they should be treated differently from others doing precisely the same thing as they do. That is what parliamentarians were doing in committee, and I think we did our job well in asking: is the request being made by this group fair and equitable in light of the nature of the tax, the principles we are dealing with, or is it unfair? Would it give them an advantage which other groups do not have and as a result put them in a favourable light within the over-all tax system? That is certainly the kind of thinking I tried to bring to bear, and I am sure that the hon. member for Kamloops-Shuswap, the hon. member for Edmonton West, the hon. member for Sarnia-Lambton and others tried to look at these requests for change, amendment and exemption in that way. Clearly, Canadians looking at the same thing from different points of view are going to come up with different conclusions, and that is the reason for the 135 proposed amendments by the opposition. I think 49 were actually unique because both opposition parties had areas of similar concern, and as a result they proposed overlapping and duplicate amendments.

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The concern over the impact of these taxes upon Canadians is precisely the concern of the government which gave rise to the amendments in the first place. The government did not sit down in isolation and say that it should change this tax in this area, for whatever reason. In the vast majority of cases, representations were made to the government regarding the impact of the Excise Act and the Excise Tax Act. These representations showed the government that at that moment the tax was being imposed inequitably, that some groups were bearing a heavier burden than other groups of Canadians. As a result the government brought forward amendments to try to remove the inequities. This process goes on all the time. We change the Income Tax Act, the Excise Act and the sales tax in some way to try to maintain the original principle of equity which was established in the first place.

Let me go down the list and look at some of the representations. For example, the Hobbema Four Indian band came before us and said that it should be exempt from taxation because of the nature of its relationship with the Government of Canada. The band felt it should be exempt for all time in the legislation. Because of that relationship, the band received the essence of its request; the tax does not apply to the gas produced on the Hobbema Indian reserve or on any other reserve.

It asked us also whether we would say once and for all that the government would never tax gas on Indian reserves. We