

Adjournment Debate

I quote also from the Archbishop of Canterbury, speaking to the General Synod of the Church of England in 1983, when he said:

I do not impugn the honesty or good faith of those who support unilateralism, but I believe there is also moral seriousness in the multilateral approach. It is a prime moral responsibility of a Christian to build peace in an immoral world. The way of negotiations and building new international institutions also demands moral courage and perseverance.

Deterrence has worked for 40 years. Let us be sure that it will continue to work.

Mr. Bud Bradley (Parliamentary Secretary to Minister of National Defence): Mr. Speaker, I am honoured to respond to my colleague, a person who all of us in the House know has worked extremely hard for Canada and her defence. Mr. Speaker, 1987 has seen dramatic progress in the bilateral negotiations on arms control matters between the United States and the U.S.S.R. Most tangibly, an INF agreement was signed at the Washington Summit in December. This agreement is an historic achievement for NATO and a tribute to the United States and allied steadfastness and cohesion in pursuit of a sound outcome.

Several aspects of the INF Treaty are particularly noteworthy as precedents for political future arms control agreements. First, the INF Treaty provides for asymmetric reductions with the Soviets eliminating more INF missiles than the United States. This is a useful precedent for other arms control agreements where NATO-Warsaw Pact imbalances exist, for example, conventional. Second, it establishes an unprecedented new and rigorous verification regime involving extensive on-site inspection. Third, by eliminating an entire class of U.S. and Soviet nuclear systems, it demonstrates the feasibility of a far more ambitious approach to arms control than was previously believed possible.

Finally, it shows that forced modernization and improvement programs and arms control agreements are not alternatives but constitute complementary elements in NATO's efforts at preserving security at a lower level of forces.

The possibility of an arms control agreement was foreseen in the defence White Paper tabled in the House last June. Effective defences complement arms control as elements of Canadian security policy. While conventional forces cannot entirely replace nuclear weapons, the elimination of NATO INF missiles places a higher premium on conventional defences and so makes the efforts to improve Canada's military contributions to the alliance all the more important.

At the same time, the importance of redressing the current imbalance in conventional weapons in Europe is a top priority for this Government, as well as for NATO as a whole. NATO is expending considerable energy and resources in force modernization and standardization efforts.

Our White Paper attempted to address this problem in part by consolidating our commitments in both land and air within NATO's central region. This will rationalize and make more effective our input in stabilizing the conventional balance.

Equally important, however, are the steps that we, as part of NATO, are taking in redressing the balance. We are currently engaged in exploratory mandate negotiations with representatives of the Warsaw Pact in Vienna. It is our hope that these preliminary talks will bear fruit, and that two new conventional arms control negotiations will commence some time late this year, or possibly early in the new year. These talks would address the conventional problem from two complementary directions. One would negotiate confidence building measures that would add a measure of predictability to military activity in the land mass of Europe.

I might add that these talks would build upon the already successfully concluded Stockholm Conference which, in 1986, produced an agreement on confidence building and is currently under implementation.

The second negotiation would tackle the more difficult prospect of eliminating disparities in certain categories of conventional forces which are key for launching of surprise attacks and large scale offensive actions. We will try to establish a level of force which would remove the ability of one side to threaten the other, but would retain an ability to meet legitimate defences.

• (1810)

TAX REFORM—AMOUNT OF TAX COLLECTED BY
GOVERNMENT—WHITE PAPER SALES TAX PROJECTION

Miss Aileen Nicholson (Trinity): Mr. Speaker, on December 17, 1987 I asked the Minister of Finance (Mr. Wilson) a question about the Government's proposed tax reform.

Before the 1984 election the Minister said in this House "We would not raise taxes. Tax levels in Canada are already too high". Since 1984 Canadians have seen an unprecedented tax grab, much of it from the pockets of low and middle-income Canadians. No previous Government has raised taxes at this rate. I detailed many of these increases in my speech on the borrowing authority on February 12, so I will not repeat the detail now. Since the Conservatives have been in office, they have increased revenues from manufacturers' sales tax by 67 per cent, from personal income tax by 45 per cent and from corporate income tax by 8 per cent.

The Minister has projected that personal income taxes will be reduced by about \$11 billion over the next five years. In other words, over three years he increased them by \$22 billion while planning to return \$11 billion over the next five years.

Corporate federal tax revenues are expected to increase by about \$5 billion. The federal manufacturers' sales tax revenues are expected to increase by more than \$3 billion over the next five year period, although again, the Minister says that the federal sales tax is destructive of the economy. Yet he continues to increase it.

We are supposedly left with the figures I just quoted, with a more or less revenue neutral tax reform package in phase one. I say more or less because regrettably it does have a lot of