

Excise Tax Act

So I say to you, Mr. Speaker, that when we look at what we now have before us and consider its consequences, we cannot help but believe that if we take almost \$4.5 billion out of the consuming economy—because that is where it comes from—it can only result in a reduction of purchasing power for the overwhelming majority of Canadians who must buy consumer products. If that is the case, it can only result in a reduction in manufacturing which will then result in increased unemployment. There can be no other way to look at it. I do not care how you calculate it or which economic model you use; you can only come to the conclusion that if you take more money out of everyone's pocket, they inevitably will have less to spend. That is what this Bill does and it is why it is counter-productive. If there was ever a time to pursue this kind of measure, and I have my doubts that there is, this certainly is not the time.

● (1440)

If the Government has to find ways to raise additional money, I suggest it begin to look at the \$18 billion in tax concessions which we hand out willy-nilly. That, in essence, is what the Conservative Party said when they were in opposition, and that was the right position. But what the Minister is now doing is going to cause more hardship and not relieve the pain.

The Government is not required to do this. To begin with, if the Minister believes that in the future there will be economic prosperity, that the private corporate sector will be able to provide the necessary job opportunities, then it is quite clear that the revenues derived from those who will be working will be sufficient to carry the debt we now have. That hopefully will be the case. If so, if the private corporate sector is going to live up to the Government's expectation and by some fanciful means achieve the goals the Government hopes it will achieve, then quite clearly there will be a sufficient number of tax dollars generated from that new economic activity to make this measure unnecessary. I suggest to the Minister that if these measures were not implemented, that \$4 billion would remain in the economy and help us achieve that goal more quickly. If more people are able to buy, then the possibility of newly-generated opportunities in the private sector will be even greater. But in taking the measure the Government is taking today, it is impeding the very goal it has set for itself.

What the Government is doing, Mr. Speaker, not only does not satisfy me but it does not satisfy the goals the Government has set. That is the hard part to understand. If an economy is operating at considerably less than capacity and you reduce demand even further, how can you expect to improve the economy's productive performance? They just do not mix and therefore do not match. We would much prefer that the Minister bring forward legislation dealing with the many, many tax loopholes, the many, many corporate donations by the Government out of the average taxpayer's pocket. We would rather see the Government bring forward measures to restrict the use of those funds. It would not again be digging into the pockets of the average Canadian family and thereby creating even more unemployment and more hardship. We

would rather see that we go the other route and give people a chance to feel the confidence the Government asks them to feel. Give them a chance to demonstrate this by putting forth some effort of their own on behalf of the recovery the Government would like to see and that we would like to see as well.

[*Translation*]

The Acting Speaker (Mr. Charest): Order, please. The Hon. Member for LaSalle (Mr. Lanthier).

Mr. Claude Lanthier (Parliamentary Secretary to Minister of Finance): Mr. Speaker, I would like to speak more particularly to the Bill that was presented in the House this morning. Actually, today I am not speaking as the Member for LaSalle but rather as the Parliamentary Secretary to the Minister of Finance. I rather like preambles myself, Mr. Speaker.

Yesterday afternoon, I was singled out more specifically, and I would like to inform the House and particularly my hon. friend opposite—and I hope he is listening, the Hon. Member for Shefford (Mr. Lapierre)—that I speak freely, am censored by no one, and that I have risen from my seat to speak to a Bill which I support wholeheartedly. I may add that the Progressive Conservative Party or Government backbenchers, as we were referred to yesterday, are not frustrated at all.

First of all, we have been silent for so long because we are learning a lot, and we have been silent not because it was the prudent thing to do but because it was the correct thing to do. We prefer to choose our words carefully instead of talking a lot but saying nothing.

Second, on the other side of the House we hear lots of “were” and “was”, but we, the newly elected Members of this House who are almost the majority, we would much prefer to hear things said in the future tense, and I think that is why we were elected: to look to the future.

Unfortunately, at this stage and with the financial legacy we have received, we must first put out the fire and clean up the mess. You may rest assured that it was a joint effort, for I had an opportunity to work very closely with my Minister—or Ministers, I should say—the Minister of Finance (Mr. Wilson) and the Minister of State (Finance) (Mrs. McDougall) to draft the bill introduced today and even the economic statements presented recently. I can tell you that it is common sense at its best.

Somebody on the other side tried earlier to tell us what is going on in the private sector. Well now, I might point out that we too have worked in the private sector for a while, and that is exactly what is happening there. When one opens a new business, one tries to forecast which way things are going to go, and then sets everything straight from the start.

The bill introduced today is more than a simple copy of earlier such measures. To put it another way, some details need to be straightened out, and these details of the bill were clearly explained this morning by the Minister of State