

*Routine Proceedings*

Only when Canadians see meaningful expenditure reform and deficit reduction, only when Canadians believe that they will get value for their tax dollar, will they acquiesce on the tax burden required to provide these services.

The Reform Party's plan for tax reform recognizes that the current structure of taxation is not suited to carry us into the 21st century. Our plan recognizes the need not only for changes to the mechanism but the necessary changes to the level of taxation. Our plan recognizes that deficit reduction is an integral part of tax reform.

Our party's plan for tax reform would embark on a comprehensive plan for expenditure reform with a plan to eliminate the deficit in three years. Concurrently the Reform Party would work toward the implementation, as I said earlier, of a simple visible, proportional tax. Third, once it is clear that the deficit reduction strategy is leading to a balanced budget, the Reform Party would eliminate in stages the national value added tax, the GST tax, the son of GST, whatever, the great Liberal flip-flop, GST, VAT, NVAT, whatever, and implement a personal and corporate tax based on the principles of the proportional tax.

The Reform Party acknowledges that tax reform is a difficult process. We were somewhat apprehensive that the limited time frame given this committee would not allow adequate investigation of the type of sweeping reforms that are necessary to address all of the concerns with the GST. Our apprehension is verified in that many of the problems with the GST are not dealt with in this report—my colleagues will touch on that—being either put off to future negotiations or implicitly ignored.

The Reform Party sees the GST, now the national value added tax or equivalent, as a temporary tax which belongs in the provincial domain. As much as the tax will exist for a temporary period of time, the Reform Party supports the constructive changes that would streamline the operation and remove as many of the significant problems that exist until such a time as we can implement such wider tax reforms that provide both tax relief and tax simplification. This would include the elimination of a federal value added tax.

My final point in the few minutes left to me is the following. I am a rookie politician. I came here because I am fiscally responsible. I want to see government live within its means. Two and a half months ago I was named a member of the finance committee and the first job I had was to help evaluate a replacement for the GST on behalf of the government.

All members of the committee worked hard and constructively. They all listened to the witnesses and tried to see where the

group could stay together for the longest possible time to achieve a unanimous report in the best interests of all Canadians and all provinces. I can assure you, Mr. Speaker, all of us tried to do that.

I went back to the previous report that was filed when the Conservatives first brought in the GST. Many members opposite were on that committee; the Minister of Industry, the party whip and others sitting on the other side.

• (1530)

Their recommendation was not to bring in a GST, no consumption tax. Two and a half years ago many members of that party gave that opinion. They gave it in committee. Some Liberals came to our committee. No GST—truly abolish the GST; replace it with a better system of taxation, replace it with nothing, replace it combined with some spending cuts and this party has ignored those recommendations. For two and a half years it has done nothing to work toward its goal of a simplified system of taxation, more equitable, more efficient.

As a rookie MP, I am very disappointed. If you stand up today and say something and you get your chance to do it two and a half years later and you do not do it, is power that corrupting?

**The Acting Speaker (Mr. Kilger):** Before proceeding to questions and comments, because there have been many requests from members on both sides of the House regarding petitions, I would like to remind members that if they so choose to table those petitions with the clerk, the net result of course is that they are not printed in *Hansard* but in fact do appear under the publication of *Votes and Proceedings*.

I leave that for your own judgment.

**Mr. David Walker (Parliamentary Secretary to Minister of Finance):** Mr. Speaker, I thank the self-proclaimed rookie from Calgary Centre for this opportunity to discuss the GST report and to show by his motion support for what the majority of Liberals are trying to get toward.

What we are trying to do in this report is set the stage for some fundamental changes in the Canadian tax system and I would like to publicly thank my colleagues both on the government side and on the opposition side for their diligence.

There are only two members of the House of Commons committee on finance who have ever sat before on a House of Commons committee, the chairman and I, and it is a great tribute to the new members who brought such strength and wisdom and such diligence not only in Ottawa but across the country in the consideration of this very difficult piece of legislation.