

Excise Tax Act

it wanted fairness in taxation. If that was their goal and if they were being honest and forthright with the people of Canada, why would they then increase personal income taxes by 55 per cent while at the same time only increase corporate income tax by 28 per cent? Individuals throughout the country are being forced to pay \$16.1 billion more in taxes while corporations are only paying \$2.6 billion more in the three and one-half years the Conservative Party has been in power.

Where is the fairness, equity, or economic justice with respect to the economic measures of this Government? Is it any wonder the people of Canada have lost complete trust and faith in the Government? Is it any wonder the Prime Minister has lost his moral right to govern?

After saying that Canadians were already paying too much and that it would not increase taxes, the Government started out in 1984 by attempting to deindex senior citizens' pensions. It increased the sales tax from 9 per cent to 12 per cent, a very regressive tax measure. On October 1, 1984 it went up 1 percentage point, again on January 1, 1986, and again on April 1, 1986. The Government extended the sales tax on candy, soft drinks, fast food, and snacks on July 1, 1985 and again on July 1, 1987. What a birthday present for the people of Canada.

There was a sales tax increase from 8 per cent to 12 per cent on paint, wallpaper, and toys on January 1, 1988. I am sure the Minister for International Trade was very concerned about the increase in the sales tax on toys. There was an increase in gasoline excise tax of two cents per litre on September 3, 1985 another cent per litre on January 1, 1987, another one cent per litre on February 19, 1987, and another cent per litre on April 1, 1988, for a total of five cents per litre since the conservative party came to power three and one-half years ago. The list goes on and on.

The bottom line is that both the Minister of Finance and the Prime Minister misled the people of Canada when they said they would hold back increases in taxation by indicating to the people of Canada that taxes were already too high. This particular piece of legislation, Bill C-117, is an attempt to increase further excise taxes which have already risen a significant amount since the Government came to power. They have gone up 77 per cent which amounts to \$10.6 billion. This legislation only exacerbates the already serious problem the Government has with credibility.

I urge Hon. Members, considering of course that the Government holds a substantial majority, to look at themselves in the mirror and ask themselves if they are being truly honest with the people of Canada with respect to Bill C-117.

Mr. Boudria: Madam Speaker, I had the distinct pleasure and honour of listening to the remarks made by my colleague, the Hon. Member of York South—Weston (Mr. Nunziata). I want to congratulate him on an excellent speech. I am sure I speak on behalf of all Members, even the Minister for International Trade (Mr. Crosbie), when I do so.

I want to ask my distinguished and learned colleague if he is aware of the fact that in Bill C-117 there is a measure that will tax long-distance telephone calls to the tune of 10 per cent. I wonder if my colleague is aware of the negative impact of such a measure on rural Canadians?

Rural Canadians often have to make long-distance telephone calls to contact the doctor, hospital, as well as friends and relatives. I am sure you know that, Madam Speaker, because there is a rural component in your constituency as well. Does my colleague not agree with me that this is a reprehensible tax measure designed in a discriminatory way and is unfair to rural Canadians of the constituency of Glengarry—Prescott—Russell and elsewhere?

Mr. Nunziata: Absolutely, Madam Speaker. The Hon. Member for Glengarry—Prescott—Russell (Mr. Boudria) asks me whether I was aware of this regressive tax measure. How can any Canadian not be aware of a regressive tax measure such as the 10 per cent tax on long-distance telephone calls which came into effect January 1, 1988, as well as the tax increase on cable television from eight per cent to ten per cent?

This tax measure might be understandable and reasonable to people living in larger urban centres who have the ability to make local calls in order to communicate with their friends and families. Where the inequity arises is when those who live in rural communities in northern Canada do not have the opportunity to make local calls in order to keep in contact with families and friends. It is these people who are being hit the most in terms of this regressive tax measure.

• (1520)

Notwithstanding the fact that the Finance Committee, which includes members of the Progressive Conservative Party, recommended that there be a cap on the level of taxation on long-distance calls, the Minister of Finance refused that very reasonable request.

Mr. Cassidy: Madam Speaker, I want to raise one point which perhaps relates a bit to an exchange that the Hon. Member for York South—Weston (Mr. Nunziata) and I had before lunch. It seems to me that there was an alderman of the same name as his who stood and was elected as a New Democratic Party candidate to the municipal council in the Burrough of York back about 10 years ago. Am I confused or was that not the same gentleman who now represents York South—Weston for the Liberal Party here in the House of Commons?

Mr. Nunziata: Madam Speaker, as always, the Hon. Member is confused. We did have an exchange earlier. I told the Hon. Member that he was being dishonest with Members of the House. He is being dishonest again.

Mr. Cassidy: Answer the question.

Mr. Nunziata: It is absolutely not true. I was never elected as a New Democrat alderman. I would ask the Hon. Member