

Ten years ago, I was fighting an election campaign triggered by the defeat of the budget John Crosbie and I introduced. That Government had only eight months in office: as John Crosbie said, long enough to conceive but not long enough to deliver.

That budget would have raised the price of gasoline by 18c a gallon - to \$1.17 a gallon.

That budget would have also reduced the deficit to \$9 billion by 1984.

Instead, in 1984, the deficit was at a record high of \$38 billion. The price of gasoline was at \$2.14 a gallon.

That is not nostalgia. If Canadians had supported that 1979 budget, we would not have the economic problems Canada faces today. Nor, for that matter, would we have had the National Energy Program, or a constitutional agreement that left one province out, and thereby put the future of the country at risk.

Economic reform has been at the heart of the Progressive Conservative agenda: in 1979, in 1984, and now. That is why we ended FIRA and the NEP; why we have cut government spending and given effect to the most sweeping privatization package in Canadian history. That is why we have fought for the Free Trade Agreement, and are developing new markets around the world. And that is why we are embarked on tax reform.

Tax reform has two parts. The first part concerns taxes on income, where we have closed loopholes and built a fairer system. For example:

- We have imposed a minimum tax for higher income Canadians and a minimum tax on large corporations.

- We ended the tax loopholes for MURBs and luxury yachts.

- We abolished the Scientific Research Tax Credit which cost the taxpayers of this country hundreds of millions of dollars through abuse and scam.

And now we have embarked on the second part of tax reform - reform of the existing federal sales tax.

Since its introduction, this tax has been the subject of repeated criticism from successive governments.

The Rowell-Sirois Report on Taxation in 1940 looked at the MST - and didn't like it.