

Government Orders

taunted by the tie-wearing socialists and the Liberals, they may be inclined— but when they really think about it, they will always come down on the side of common sense.

[*English*]

That is why, Mr. Speaker, I am really optimistic about the future of this government.

An hon. member: Hear, hear.

Mr. Valcourt: And I am optimistic about the future of this country.

An hon. member: Hear, hear.

Mr. Valcourt: The member who referred to the Prime Minister of Canada in terms of being a Ceausescu, that was a new high at being low.

An hon. member: That was the member for Okanagan-Shuswap.

Mr. Valcourt: But that is the kind of politicians they are, *les socialistes en cravate*.

The Prime Minister is the man determined to make Canada a great country. He is determined to provide the youth of Canada with a bright future. With the support of Canadians from coast to coast, and with members here today who will vote down that motion of the *socialistes en cravate*—

[*Translation*]

— we are going to win and we will give Canadians the kind of country they need!

Some hon. members: Hear, hear.

The Acting Speaker (Mr. DeBlois): Questions and comments, for 10 minutes. The hon. member for Ottawa South.

Mr. John Manley (Ottawa South): Mr. Speaker, I have a very simple question for the fisheries minister.

[*English*]

He is obviously quite a supporter of the goods and services tax. I would like him, if he could just imagine with me, the scene that will ensue after this tax is implemented. He has noted that Canadians are intelligent enough to have pointed out that there are some real problems with the implementation of this proposed tax.

He can imagine this scene with me. He can choose any province in Canada but Alberta where there is no existing retail sales tax at the provincial level. We will go into a little corner store, maybe it is a 7-Eleven or a Mac's Milk or something, and we will choose some items off the shelves. We will take them to the checkout counter. You know what those stores are like. In my constituency, the check-out person is usually about 16 years old, first job, could be male or female, having a tough time with mathematics in high school. This is the job.

An hon. member: Oh, oh.

An hon. member: That is a put-down.

Mr. Manley: Here is the test. This person brings in this product and says to the check-out person, "Here is what I want to buy." The check-out clerk has to figure out which of four categories this item is in. Is it taxable under the GST and taxable under the retail sales tax? Or is it exempt under the GST or zero rated but taxable under the retail sales tax? Or is it taxable under both the GST and the retail sales tax? Or is it exempt under both the GST and the retail sales tax? Which of those four categories does this item fit in?

That being figured out, the next job is to calculate the total price to be paid for the item. One takes the price, adds 7 per cent GST, then adds the retail sales tax, which in Ontario, for example, is 8 per cent, in order to come up with the total price. But the customer happens to have in his pocket a discount coupon that he collected out of his local newspaper. Now he has a problem. In some of the provinces the retail sales tax is calculated before the discount is taken off. In others it is calculated after the discount is taken off. With the GST it is after the discount is taken off. The clerk now has to calculate the price, minus the discount, plus the GST, then add the discount back because then the retail sales tax has to be calculated. Then the discount is taken off again at the end.

With our 16-year old high school student clerk in the store doing his or her first job, I would like to know what the minister advises that person to do. Does he advise the clerk to get a different job, perhaps in a bank? While he is answering that, perhaps he could explain why, if the manufacturers' sales tax is so bad, the government wanted to bring in this complicated system of tax. Why did the government raise the manufacturer's sales tax from 9 per cent, which it was when the government came