

and other tax mechanisms. I will at least give him credit for providing an alternative.

Could he respond to my question as to what he thinks about the New Democrats five major alternatives to the goods and services tax. We have provided alternatives. I do not remember any from the Liberals with the exception of the hon. member's text that he circulated some weeks ago.

**Mr. Malone:** Madam Speaker, it is not often that I express disappointment in a speech in the House, but I was disappointed because the speech of member of the New Democratic Party, on the whole, basically did two things. First, it outlined how he would like to have more spending when the debate before Parliament today is on the borrowing bill. That party wants to do more spending.

Second, I presume it is either tremendously out of character or it was an accident, but he gave a long list of unbelievable misstatements. I just want to set the record straight on a few of them. He says that members on the government side are not representing their constituents because they favour the goods and services tax. I want him to know that by and large my constituency is an agricultural farming constituency. One of the principles of the goods and services tax is to take the cost of taxation out of the cost of doing business. Therefore, farm input costs will decrease by 2 per cent. Those are the farmers we are serving. This is an advantage to them because the tax is removed from operating costs. The hon. member, by his position, defends more taxation for farm producers.

He stated that there have not been any initiatives for business development under the present government. Well, what is ACOA? What is the Atlantic opportunities company? What is the western diversification office? One thousand new projects have been started by the western diversification office.

Under the previous Liberal government, such an office would have been headquartered in Ottawa. It is not. It is headquartered in Edmonton with branch offices in Regina, Winnipeg, Vancouver and Ottawa. There is a very small one in Ottawa for the deputy minister and few very close staff. But 1,000 new projects have been developed.

Ask anyone who has any relationship at all to that organization. There are very favourable comments from those who have approached the western diversification

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office. And I speak of that rather than ACOA because that is the one with which I am most familiar.

Yet the member stands in Parliament and says there are no initiatives and no old initiatives by this government when in fact 1,000 new projects have been started.

Then he talked about something which absolutely shell-shocked me, Madam Speaker. It is a trick of the NDP. He talks about a poll tax. Scare tactics. With respect to the goods and services tax, he knows we included in the economic statement of November 20, 1984, the first fall we were in office, a full statement of what we needed to do. We stated that getting rid of the manufacturers' sales tax was one of our objectives.

In subsequent statements and budgets we talked about the need to revise that tax. Throughout even the last election there was a stated indication—although I know it was overshadowed by the free trade debate and the free trade issue—that we were going to change to a goods and services tax.

He cannot find one reference by any one of us in the government that we would ever bring in a poll tax. Yet he has the audacity to stand up in Parliament and scare Canadians. What a despicable thing for him to do. He says, without one shred of evidence or a bit of logic, but simply to scare people and to accuse members, that we are going to introduce something that we have no intention of doing. So I say to the hon. member, stand up and defend your credibility.

**The Acting Speaker (Mrs. Champagne):** I must interrupt the hon. member. The time for questions and comments have expired. A short comment from the member for Kamloops.

**Mr. Riis:** Madam Speaker, we are now facing the spectre of a goods and services tax. I find it quite astonishing that the hon. member says that his constituents support the goods and services tax.

**Mr. Malone:** I didn't say that.

**Mr. Riis:** I wonder if we could make a wager here in terms of our seats. I would challenge him when he says that the farm community of his constituency supports the goods and services tax and that they are going to be winners.

Why do we talk about the poll tax? I remember distinctly that we struggled in a federal election campaign not long ago. I cannot remember Conservative members across the country saying that if they were elected they would impose a 7 per cent or 9 per cent goods and services tax on the people of Canada. The hon. member for Mississauga South said it and he was