

someone who wants to follow up can examine the whole record in one place.

I congratulate the committee on what it has done and on its plan to keep on top of the situation. We should all congratulate the committee for the work it has done up to this point and particularly for what it is doing today in keeping the question alive.

If Senators Nurgitz and Lewis can find a way to give a little extra push to what they did today by way of a press conference or press release, I hope they will do so.

Senator Lewis: I would like to make clear, senators, that this letter has not actually been sent yet. It is a letter which Senator Nurgitz, the chairman, has undertaken to send.

Senator Frith: I understand that. He is sending that letter.

Senator Lewis: The letter and the submission are not in both languages as yet.

Senator Frith: It will be translated if we put it in *Debates of the Senate*.

The Speaker: Is that agreed honourable senators.

Hon. Senators: Agreed.

(For text of letters, see appendix, p. 794).

GOODS AND SERVICES TAX

REPORT OF CANADIAN FEDERATION OF INDEPENDENT BUSINESS

Hon. Richard J. Stanbury: Honourable senators, on another matter, the Canadian Federation of Independent Business has recently released a report that will be of particular interest to all members of this chamber.

The report details the results of an extensive study on the impact of the goods and services tax on Canadian business. The study found that the GST has been a tremendous burden on Canadian business with a disproportionate load being placed on the shoulders of small business.

The CFIB conducted a survey of its members six months after the implementation and received 25,362 responses. This was the strongest response ever received from its membership.

The findings of the survey indicated that 70.6 per cent of the responding membership found that the GST had a negative impact on their business. Only 8 per cent believed the effect to be positive. That sounds like the 8 per cent who support the Prime Minister. Another 14.4 per cent found that the GST had no bearing.

The major complaint about the GST expressed by members of the federation was the costs associated with the implementation of the tax for their business. With respect to cost, 85 per cent of survey respondents said that the implementation of the GST had increased their costs. Most respondents suggested that time needed to deal with GST-related matters was a considerable cost to their businesses and, of course, these costs disproportionately affect smaller businesses because the related duties are more likely to be taken by the owner or manager

[Senator Frith.]

rather than the accounting staff which a larger firm may already employ.

I was particularly interested to find that the majority of the CFIB members involved in the manufacturing industry, the industry which it was said would be helped most by the introduction of the GST, had a negative response to the GST. Only 16.7 per cent of respondents found the effects of the tax to be positive, while 52.1 per cent of the manufacturers were negatively affected.

In a statement on their report the federation concluded that:

After several months of living with the GST, Canadians can now safely conclude that the GST simply does not work. The government owes this country an apology in the form of rapid policy changes to reduce the enormous and regressive burden of this tax.

Finally, honourable senators, considering that tomorrow, Friday, the 13th of December, is the anniversary of the third reading of Bill C-62, the GST bill, I would ask my colleagues on the other side of this Chamber, as they celebrate their proud victory of that day, to remain mindful of the disaster they have inflicted on the people of Canada through this tax.

Senator Frith: Well said.

Senator Olson: Hang your heads a little.

An Hon. Senator: Shame, shame.

Some Hon. Senators: Oh! Oh!

Senator Murray: What is it that Mr. Chrétien says?

Senator Frith: That is the best thing he can come up with? Maybe he can blame it on Mr. Trudeau, or maybe even Mr. Pearson. Don't talk about your policy. Talk about ours. Never talk about your own policy.

Senator Murray: The policy has changed.

Senator Frith: Maybe he can find fault with something Mr. Saint-Laurent said.

Senator Perrault: What about Mackenzie King?

Senator Frith: Why not? Maybe Sir John A.

Senator Barootes: What about the provincial sales tax? So easy to collect—8, 9, 11 per cent?

Senator Frith: Shout out your penitence; confession is good for the soul.

The Hon. the Speaker: Order, please, honourable senators.

FEDERAL REAL PROPERTY BILL

REPORT OF COMMITTEE

Hon. Nathan Nurgitz, Chairman of the Standing Senate Committee on Legal and Constitutional Affairs, presented the following report:

Thursday, December 12, 1991

The Standing Senate Committee on Legal and Constitutional Affairs has the honour to present its