

Routine Proceedings

disadvantaged and you can be sure that their proposal is not intended to help them.

Third, the alternative to the GST proposed in the report from the Liberal majority at the finance committee is an unprecedented centralizing attack on provincial areas of responsibility. This idea of negotiating with the provinces a uniform tax base for goods and services from coast to coast and of bringing this broader tax base to include food, drugs and health care within the scope of an act of Parliament would prevent provincial governments, and the Quebec government in particular, from adjusting tax rates and base to meet their economic objectives as well as their priorities respecting development, economic growth and assistance to any industry that may need it.

Let me recall certain measures the Quebec government has taken in the past to exempt the furniture industry and the clothing industry, child clothing in particular. With this Liberal majority proposal, if the government of Quebec or of any other province for that matter wanted to support these industries and help them pick up or help the less fortunate consumers go through hard times, it could not make the necessary adjustments to help the most disadvantaged members of our society. And that is totally unacceptable!

The fourth reason why the Bloc Quebecois disagrees with the insidious and pernicious report of the Liberal majority is that not only do they give us four quarters for a dollar, as I mentioned, but they make the consumption tax system incredibly complex by adding a small business transfer tax to a GST like the one we now have.

The Bloc Quebecois thinks that this new business transfer tax or BTT for short will be a real nightmare for businesses to administer—I will let my colleague from Témiscamingue who studied business administration explain these complexities to you—as a result of this second level of taxation introduced in the Liberal proposal.

We are told that when they started, the Liberals wanted to abolish the GST and replace it with a simpler system. In fact, they have just made the consumption tax system more complicated by introducing this second level of taxation called the business transfer tax.

The fifth fundamental reason why we are strongly opposed to this proposal, this systematic attempt to disguise the current GST, is that they cannot see the forest for the trees. Since the Standing Committee on Finance started its hearings on the GST, the Bloc Quebecois has been raising the need to review the whole Canadian tax system. We were told, as I heard the Prime Minister and the Minister of Finance say last week, that in the past they tried to carry out such a review and failed.

But in the past Canada was not facing the severe difficulties it is now encountering. There was no \$511 billion debt or record deficit either. I would tell you that it is the Liberals' second record because the first Liberal administration also set an annual deficit record for the federal government. The then Minister of Finance, who is now the Prime Minister, can claim credit for that record.

I would tell you that they tried without success to change the current GST, to abolish it and to replace it with a simpler system.

• (1610)

Not only have they failed in their attempt but they have made things even more difficult, not only for small and medium-sized businesses but also for consumers, who will not understand this system.

As soon as it was published, the report was destined to be shelved or else to be thrown out. Even the Prime Minister said yesterday that he did not feel bound by this report. He even said that he was dissociating himself from this report and I understand why. Several premiers of the larger provinces have spoken against this Liberal proposal.

So I look at all this and I also look at the Bloc Quebecois's proposal, if you will allow me to state it. The Bloc Quebecois has proposed a viable option, one that has a future and will not force us to negotiate with the provinces for two years and fail, as the Conservatives failed before the Liberals. We cannot harmonize in the way presented here, with unprecedented centralization of a consumption tax system. So the Bloc Quebecois's proposal is first to abolish the GST and keep the Prime Minister's promise and to give this field of taxation to the provinces, with an adjustment in federal spending, of course.

Thank you, Mr. Speaker, and I look forward to receiving questions.

[English]

Mr. Barry Campbell (St. Paul's): Mr. Speaker, I wish to make a very short comment.

I guess the hon. member opposite does not much like the report. That is a shame because he spent tremendous time and enormous effort listening to Canadians across the country express their views about the current GST and recommend alternatives.

All of those views are expressed in the report and reflected. It is a shame that the hon. member and the loyal opposition did not have the courage to present alternatives in a written form. At least the Reform members had the courage to express in writing what they agreed with and what they did not agree with.

While the Bloc agreed to the mandate to look at alternatives to the current GST and supported that mandate of the committee