

*Government Orders*

Not only did we create more jobs, more economic growth, a better standard of living, a lower debt, a higher Gross National Product, a stronger dollar and lower interest rates, but we accomplished the kinds of policies that for decades members in the Opposition who are now heckling away as best they can to cover up the mess they made of this country over a period of 20 years in power never dreamt of. They are astounded that any policy will work when they tried everything.

But they forgot to try two things. They forgot to try to bring the debt under control. They were interested in being popular. They wanted to be loved. They wanted the people to return them to office. They handed out money for programs they could not afford. They spent money they did not have. They did all of the kinds of things that one cannot do if one is to be financially accountable.

The plan that we have now put in place is creating the same kind of a dilemma that was created for the members who are now in opposition when they were in government. They cannot believe that people have to pay for what they want and what they want in politics, they usually get. The more they ask for, the more government gives them. That is the story of the Liberal past. They gave them what they wanted. They produced the programs that demanded high taxation, huge debts.

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Per capita we have one of the largest debts in the free world. There was never a program put in place by the former Liberal government, from the days when it started the debt program, that reduced the debt year over year over year as the Conservatives have reduced the annual debt every year for the past five years.

At \$30.5 billion in the current fiscal year that will mean that it is \$8 billion less than it was when we took over and—

**Mr. Milliken:** And more than last year.

**Mr. Domm:** You can't tell me of one year in the preceding years to us coming to power in 1985 when the Liberals did it. They never, ever did it. Let's be honest about this thing. Let's not put up a camouflage to let the people in Canada think that they knew how to get an annual debt under control.

Now we come to another phase of reducing annual debts, the phase which calls for the people to do one of two things. Either the Canadian people have to accept fewer programs or in combination with fewer programs more taxes, or we will be back into that spiral of inflation, high interest rates and increased debts that were created by the Liberal government in coalition in large part with the NDP. Those two together have created the disaster that we are faced with today.

How are we going to do it? The Liberals campaigned for four elections in which I campaigned with the story that the manufacturers' sales tax was regressive and should be abolished. Members of the NDP in committee prior to the last election campaigned with the same story. They wanted us to get rid of the manufacturers' sales tax. They said that putting a tax on manufactured goods with which we had to compete on a world market—something which the 48 countries that are our major competitors do not have—would be disastrous. The part of the program that the Liberals campaigned to get rid of they did not know what to do with. We cannot give away \$17 billion if we do not have a source from which to collect it.

We introduced a goods and services tax. We were that late in doing it, thanks to the delay of the Liberals and the NDP, that all of the other 48 countries in the world with which we compete had long done away with a manufacturers' sales tax.

I don't know how many of you have ever been in business, but if you were competing against the United States in selling—

**Mr. Young (Gloucester):** They don't have one in the United States.

**Mr. Domm:** You are the expert at finances. If you were competing against the United States for markets in the Pacific Rim would you expect your corporation, if you were lucky enough to have one, to compete against the United States, if you had to pay 13.5 per cent and it didn't in selling to that Pacific Rim country? Now we have removed the manufacturers' sales tax and have produced a program that neither the NDP—and I don't see any of its members in the House. Is it right that there are no NDP members in this House, no NDP members in the House at all?