

*Government Orders*

sitting yesterday, members of the NDP rose to challenge some of the comments I was making. I guess they did not like to hear all the positive things about the GST. I note today that there was an extensive effort to delay my presentation somewhat, but I am pleased to carry on with it at this point.

Yesterday I spent a considerable amount of time talking about the need for the elimination of the existing federal sales tax. I quoted some very interesting presentations made by witnesses who appeared in front of the finance committee. Some of those people who, of course, are not supporters of the party that I represent, made some excellent presentations as to why the manufacturers' sales tax should be eliminated.

I realize that caused some concern, but the problem I think is the concern existing within one of the parties that the people who supported the elimination of the federal sales tax are their supporters. I note in the finance committee report that did come forward, even the NDP did not want to eliminate totally the manufacturers' sales tax, a tax that has been very detrimental to many of their clientele.

What I would like to do, Madam Speaker, for your information, is carry on with some of the things that did happen during the hearings on the goods and services tax and some of the questions that were asked, so that maybe we can clarify a little further for Canadians just what will happen when the GST is implemented.

The member for Yorkton—Melville repeatedly during the hearings asked questions of witnesses as to what would happen when the manufacturers' sales tax was eliminated. Would those companies in fact reduce their prices?

I would like to quote a very direct question that the member asked of Mr. Snyder, the Canadian Appliance Manufacturers Association representative. The member for Yorkton—Melville asked:

Is there a possibility you may keep some of the existing FST?

The answer was:

I would doubt it. I think if you look at the history of the appliance business over the past 20 years, our prices in real terms have declined 65 per cent. I think we offer one of the best consumer values around today. So I would say that those competitive pressures will continue. I do not see any change as a result of the tax.

You do not hear it expressed too often by members of the opposition that in fact there will be some savings passed on to consumers.

When he was pressed a little further to comment on that by the same member, he came back with a further comment. He said:

I believe in our industry the competitive nature is such that if there is a cost reduction as a result of the GST it will end up in the consumer's hands. It is as simple as that.

I realize that it is not popular for those who oppose this implementation of the GST to talk about those areas where in fact consumers will benefit, but there are many of them.

On another occasion when we had a witness in front of the finance committee, the same member asked of the representative of the Canadian Federation of Farm Equipment Dealers just what would happen. Mr. Hills who was speaking on behalf of the dealers association replied with this comment:

In a piece of equipment with a 13.5 per cent current federal sales tax rolled in, when that 13.5 is removed, our customer will see a direct benefit by the reduction. If that effects a \$10 reduction, we will probably reduce our price by \$11—it is that competitive.

I realize again that is not something that the people in opposition to the tax want to talk about, where in fact there will be savings.

Not only did that group comment that there would be savings in their industry but they also commented in conjunction with the Canadian Farm and Industrial Equipment Institute on the whole concept of the goods and services tax. Mr. Frank Pickersgill, director, on October 23 in front of the finance committee, said:

We do not like the existing tax system. As manufacturers, we find it difficult and we do not like it. Conceptually, a value-added tax like the GST to a manufacturer has some attraction.

The same thing was said by the vice-chairman of the Canadian Appliance Manufacturers Association. I quote his comments made on October 23:

The Canadian appliance industry believes that the proposed GST is a positive move towards the establishment of a fairer and more equitable taxation. It is a vast improvement on the current FST, a tax we have opposed.

Of course, it is a tax that both opposition parties in this House would just like to hire a bunch of bureaucrats to do a study on, but we have made some very clear