

*Government Orders*

the amendment of Mr. Turner (Vancouver Quadra) (p. 7569).

**Mr. Lyle Vanclief (Prince Edward—Hastings):** Mr. Speaker, it is certainly nice to get back to debate after all the games that have been played by the NDP. I believe this is the fifth day that we are supposed to be debating the goods and services tax bill, and we have not even had eight hours of debate on the biggest tax grab in Canadian history. It is a very sad situation not to be able to have the opportunity for debate on this issue.

In order to end the debate even faster, the government has implemented closure for the thirteenth or fourteenth time.

• (1750)

I would like to discuss some of the concerns of small businessmen and others in my riding about the effects of this goods and services tax at a time when they cannot believe any government would maintain the high interest rate for as long as it has. Our Canadian dollar remains high and is absolutely devastating to their business. The sales of their products are decreasing.

For example, I will cite the case of Deacon Brothers, a clothing manufacturing business in Belleville. This firm has been a family business in Belleville for some 87 years. It announced a year ago that it was to build a new plant and to move to that new plant this May. About a month ago, the firm made the announcement that because of what was happening to sales there were no orders on the books for this spring. This firm has 40 employees.

**The Acting Speaker (Mr. Paproski):** Order, please. If hon. members would like to carry on a conversation, would they go behind the curtain, please.

**Mr. Vanclief:** Mr. Speaker, because the firm knows what a goods and services tax is going to do, it could see the writing on the wall and what it was going to do for its industry. Rather than go through all of the hassle, the administration and the move, it decided to close its business and put 40 people out of work.

Small business people are tired, overworked and overwhelmed by what is happening. When I go home on the weekends they ask when the tax system in Canada will be revamped so that it is fairer for the lower income

person, the middle wage earner and the small business man. I tell them that I do not think it will happen with this government. It has raised taxes 31 times in five years, and it does not seem to realize what that is doing to small business.

I also noticed in an article from Vermont in the United States that it was thought the goods and services tax in Canada was going to be a wonderful thing because it would increase the costs of goods and services to Canadians by 7 per cent. That is just going to drive more Canadians across the border to purchase their products.

This government has supposedly been trying to handle the affairs of the country for the last four or five years, through some fair and reasonable times and some business booms. I cannot believe that it has not done more than it has. The government brags about its fiscal management, but the total Canadian debt has doubled in that five-year period.

I want to read from *The Wall Street Journal* of January 10, 1990. I think this publication is pretty highly respected even by the Tories. The article reads:

The Tories are raising taxes without reducing the debt—It is not easy to go bust when your income doubles over five years, but Canada's Progressive Conservative government isn't flinching from the challenge.

The article goes on:

Wilson traded one tax increase for another when he lowered his proposed goods and services tax rate to 7 per cent from 9 per cent and raised some personal taxes.

It is not easy to do what the government has done with the debt but, by golly, it has worked hard at it and it has doubled it.

My constituents ask me several questions. They ask: "Is the tax going to be a joint tax with the provinces?" I say that it is not. "Is it going to be visible?" I say: "No, not necessarily". They ask: "Are we going to reap the so-called benefits that the Minister of Finance is telling us about as far as the reduction in the 13.5 per cent manufacturers' sales tax on goods and services is concerned?" I say: "Well, the minister says he cannot guarantee that".

I had interesting conversations with several car dealers in the last two or three days. The government has tried to convince taxpayers that they are going to save 13.5 per