

Basically, they're two entirely separate things but I do see a link by applying the GST. They're increasing the price of goods here and that's out in left field.

P. SO YOU THINK IT'S MAKING US LESS COMPETITIVE BECAUSE THINGS WILL COST MORE?

Absolutely.

It does make us less competitive except in export. You don't pay the GST on things that you export, you still have to pay the money up front but it's better to pay 7 percent up front than 13 1/2 percent.

If you go to the States and buy something that's made there and bring it across the border, the duty and the federal taxes on it is a lot less than if you buy something that's been manufactured in Japan and then try and bring it across the border. In essence, it will work somewhat like that if it comes from other countries...

It's not that big of a difference.

Oh, it is quite a bit if you look at different things. Car parts, carpets, perfumes, even perfume that's made in France, and you try and bring it across the border, it's amazing the amount of duty you have to pay opposed to if it's made in the States.

Canada suffers from another problem in that we pay very high prices for certain products where there is no rhyme or reason. In my trade I buy photographic papers, I can buy it here in town for \$1.25 a sheet and I can go down to Los Angeles and buy exactly the same product, same box for 45 cents a sheet, made in Japan, so why should I pay a Canadian middleman. By the time I get it in here it's costing me 70 cents a sheet, taxes, duty paid, everything. Why should I pay a Canadian middleman 55 cents for phoning Japan and having them send him 50 boxes to Vancouver.

This is where I think the GST will be connected to international trading. There will be one tax imposed for everybody, for all foreign countries as well as Canadians and they will all pay one tax instead of various ones in different stages.

It will take out a lot of distributors in Canada.

Q. WHAT DO YOU THINK ARE THE MOTIVES FOR THE FEDERAL GOVERNMENT TO INCREASE IT'S FOCUS ON INTERNATIONAL TRADING?

Survival.

I feel that they have finally realized that they can't be tied to just one country. This is what they are doing in fact if they don't branch out with international trade. Free trade with the States isn't enough to survive.

Q. WHEN I SAY THE WORD GLOBALIZATION, WHAT DOES IT EVOKE?

Terror.

World wide.

It would depend on the area that you are looking at. I think there's a lot of positive things and a lot of negative connotations with it.

P. WHAT ARE SOME OF EACH?