

suicidal course, that its monetary policy and its fiscal policy are exactly wrong for what is required today.

I want to ask my hon. friend and colleague what he thinks of John Bulloch's suggestion when he, as the spokesperson for the Canadian Federation of Independent Business, asked the government to withdraw the goods and services tax in an effort to save the small business community of Canada.

Mr. Hockin: Mr. Speaker, I am delighted to finally hear the hon. member quoting John Bulloch after ten years of disparaging him, criticizing him and defending himself against John Bulloch's complaints about socialist tendencies to spend too much and to intervene too much in the economy. Suddenly, he is standing up and quoting him.

That is fine. I am glad he is starting to read some different materials. What John Bulloch has argued for is very important for the government to hear as well as the opposition. What he is arguing for is an integrated sales tax with the provinces. He is disappointed that we have not accomplished this, but we are starting to accomplish it.

Newfoundland emphasized the other day that it is going to participate. Quebec and other provinces are looking at it. As soon as we have a national sales tax, John Bulloch will be much happier, as will his client group.

The second thing that John Bulloch wanted is a broader based tax. He did not want to exempt food. The hon. member wants to exempt food. John Bulloch does not want to exempt medical care in hospitals. The hon. member does not want that included in the tax base either, so the hon. member would be with us on that. He would want them exempted just as, indeed, we want them exempted. That is our problem with Mr. Bulloch.

I want to tell my hon. friend that I was fascinated this month to see the latest material from Mr. Bulloch in which he says: "Look, the government has made some interesting changes on the GST. It is doing some things that are helpful, and instead of constantly criticizing the GST I would like to explain how the GST works for my membership."

I think he had eight pages of how the GST works and how it can be made useful. In that material, he empha-

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sized that the GST is very good through input tax credits, through the input credit arrangement, improving cash flow for small businesses. This is something we have been arguing for six months. I am very glad that Mr. Bulloch now recognizes that.

• (1210)

Hon. Roger C. Simmons (Burin—St. George's): Mr. Speaker, I will quote someone whom I have been quoting for a long time, I say to the Minister of State for Small Businesses and Tourism, a person who from time to time he has quoted. Indeed, at one point, lest he forget, his fearless leader from Baie Comeau actually appointed this person to her present position. The person is Judith Maxwell. She is the chairman of the Economic Council of Canada, thanks to the Prime Minister, the minister's boss. She said quite recently, indeed in the last few days, that "relying solely on the Bank of Canada to combat inflation through high interest rates is harming rather than helping the economy". That was said by Judith Maxwell, the same Judith Maxwell appointed by the boss of the Minister of State for Small Businesses and Tourism.

That same Judith Maxwell goes on to say that "there is a better way to fight inflation than through high interest rates".

Mr. Tremblay (Lotbinière): The Liberal way.

Mr. Simmons: Yes, it is the Liberal way, and I thank my friend for indicating that he is not completely oblivious to what we stand for on this side of the House. I thank him for that. It is the Liberal way. There is a better way, I say to him.

Mr. Riis: Unwittingly.

Mr. Simmons: I say to him and his friend, the Minister of State for Small Businesses and Tourism, there is a better way than high interest rates. Of course there is a better way, and I am glad that at least one Tory—is he really a Tory—at least one Tory agrees with me, and I compliment him. But, now I digress.

I want to ask the Minister of State for Small Businesses and Tourism if he agrees with Judith Maxwell's prescription. I want to read it to him. She says there is a better way. She said that better way could include a commitment to full employment. That would be welcome news in Newfoundland where we have an unem-