

*Government Orders*

without the addition of any new school facilities, it will probably be in the realm of 225.

How does the province of Ontario justify not putting any money into a high growth area that needs schools? It justifies it because it hired 8,000 civil servants. The salaries of those 8,000 civil servants would in fact pay an awful lot of school bills.

Things are different between the federal and provincial governments. Our hands are tied because we inherited a deficit that we had to deal with, whereas the Liberal government of the province of Ontario inherited a very healthy, stable economy from a previous provincial government with a budget that was well managed. That is absolutely contrary to what we inherited here in Ottawa.

I mentioned at the outset that nobody from the Liberal party, and certainly not the previous speaker, came up with any suggestions about how we could perhaps borrow less than the \$26 billion. As you know, we came up with the GST proposal in our report and I note that the member did not really comment on that. The same report to which he was referring talked about the improved competitiveness of the Canadian economy. This report talks about the 9 per cent GST. When this was written, that was to be the rate of the GST. It talks about how much better it is going to be for the Canadian economy to deal with deficit reduction and the competitiveness of the Canadian economy. He did not get around to quoting those.

This report does comment on a reduced GST rate and suggests there would be some benefits to that. We came through with that. It is interesting that he ignored those comments in this book as well. That is understandable. One only wants to quote those statements which support one's particular view. I understand that.

I would like to come back to that GST report which the finance committee brought forward. I was a member of that committee, and quite proud to have been so. We came in with some excellent recommendations.

One of the recommendations we made was to establish an expenditure review committee. Many witnesses who appeared before us said that we have to cut spending. We did not allow those witnesses to pass on their comments about where we ought to cut spending because that really was not the role of the committee. Instead, we established a subcommittee and recommended, after the GST report was in, that the finance committee invite Canadians to make a submission to it as to how the federal government could cut some of its expenses.

At our first meeting, members of the Liberal party and the New Democratic Party who were members of that committee decided that they were not going to participate. They did not want to have anything to do with any submissions on how we might reduce our expenditures. They walked out.

Therefore, we know they are not interested in reducing expenditures. We know they are not interested in looking for ways of reducing expenditures. More to the point, they are not interested in allowing Canadians, who have some good ideas, to tell them their ideas.

You should be aware, Mr. Speaker, and maybe proud of the fact, that this committee carried on its process. We invited all those Canadians who had made submissions to the goods and services tax committee to come back and give us their expenditure reduction ideas. Unfortunately, we did not get an awful lot of submissions, but you can be rather proud that one of the better submissions we got was from the Edmonton Chamber of Commerce.

I know that your constituency is in Edmonton, Mr. Speaker, and you will be happy to know that there are some people who made excellent submissions and certainly the Edmonton Chamber of Commerce was one. We will certainly deal with that in committee.

The hon. colleague who spoke previously talked about the GST and how it was going to be a cost to Canada. He might consider it a cost. I happened to attend a meeting this morning in Toronto of an industry group that generally does not pay tax. To me it was a perfect example of why the government has to proceed with the goods and services tax.

It was a meeting of an industry that sells comic books. I did not know this detail until I spoke to this group. When you sell a comic book that is stapled together, it is taxable. If it is not stapled together but bound, it is not