

Government Orders

Mrs. Stewart: Mr. Speaker, I rise on a point of order. The hon. member has now spoken for 11 minutes. I wonder if he can inform us whether his speech is 10 minutes or 20 minutes.

The Acting Speaker (Mr. Kempling): It is a 20-minute speech. I am watching very carefully.

Mr. McDermid: Mr. Speaker, obviously the hon. member must have come in late. I gave notice immediately at the beginning of my speech. I am glad she is paying so much attention. That is great. I am flattered.

Five years ago, in November of 1984, the Minister of Finance laid out an economic plan for Canada. In that economic plan he had a number of items that he wanted to accomplish over a period of years. Of course, one was income tax reform which was completed in 1987. Another was privatization of certain Crown corporations that the government no longer needed for public policy purposes. Some 18 corporations have now been privatized, all of which are doing very well with the exception of one. That one was not doing very well as a Crown corporation either, it was eating a tremendous amount of money.

It is very important that we look at this over-all economic plan which included deregulation and freed up the private sector to create employment and grow. I can remember very clearly the night of that economic statement. I was sitting in this Chamber. First the Leader of Her Majesty's Loyal Opposition got up and said that this was a disaster, that it was the end of Canada as we know it, that we were going to lose thousands of jobs, that it was just a terrible thing. Then the then Leader of the New Democratic Party got up and said that with this policy we were going to lose 100,000 jobs. That was his exact statement that night.

One and a half million new jobs have been created over the last five years, not in the Government of Canada, not by buying Crown corporations and not by enlarging the bureaucracy. The private sector has created 1,500,000 new jobs, meaningful jobs; 85 per cent of them full-time, 57 per cent of them filled by women.

Unemployment has dropped in every region and as well, and rather dramatically, among youth. The economy has expanded by 20 per cent. Business investment is up 61 per cent in this country. It is a good record. It is an astounding record. I believe the Minister of Finance

deserves a tremendous amount of credit for that performance here in Canada.

Canadians know that good jobs, higher income and higher standards of public services all depend on our ability to compete in a tough world. The private sector and the public understand that.

I am not going to go into the details of the existing federal sales tax tonight. Suffice it to say that it is damaging to our economy. It gives our producers an unfair advantage over industries that import products. The damage that we have done to our industry is phenomenal. We are the only country in the world that has this type of tax.

Study after study has concluded that we should get rid of it. Various business associations have said that we should get rid of it, including the business association that Mr. Bulloch leads, whom everyone across the way likes to quote. He wants to get rid of it as well.

I mentioned earlier that we trade 35 per cent of everything we produce in this country. If we are going to compete, then we better put our producers on an equal tax footing with their competitors. And that is exactly what we are doing.

Mr. Ferguson: Give them \$20.50 a tonne and they'll sell their wheat.

Mr. McDermid: The hon. member for Lambton—Middlesex is sitting there bawling like a stuck calf. The hon. member should realize that this is going to help the farming community as well. There is no question about it.

Mr. Ferguson: Go to Saskatchewan and tell them that.

Mr. McDermid: A lot of input costs are taxed now that will not be taxed after this, so I can tell the hon. member that they will do much better.

The GST will eliminate all federal sales tax on inputs to the production process and that brings more incentive to invest in Canada. It means more jobs, greater productivity, greater domestic output, and that is what we need in this country.

This government has shown strong economic leadership since first coming to office. That leadership has produced results. The goods and services tax is just one more step in getting the economic performance of this