

So does Weldwood of Hinton who, like any other pulp and paper producer, must pay a 13.5 per cent tax on its fuel to get its products to the market - its distribution costs.

This would be fine, I suppose, if foreigners trying to sell their goods had to pay tax on their marketing and distribution costs. But they don't. They only pay tax on their goods at the border. They don't pay tax on the cost of marketing their goods in this country, or of distributing their goods across it. Those costs escape, scot-free. Once again, Canadian producers are punished. The foreigners are rewarded. That is the tax we are trying to get rid of. People who blindly oppose tax reform are, in effect, supporting a subsidy of foreigners.

There is a difference between being generous and being foolish. This tax is a fool's tax. It's so foolish the Government has had to agree to 22,000 specific exceptions to mitigate the tax's perverse and negative effects on production.

There is a third major flaw in the MST. It is full of loopholes. If companies or individuals have to pay taxes, then they should pay them equally and equitably.

These loopholes cost the Treasury \$300 million a year in lost revenue. This means that we have to raise taxes elsewhere - from individuals or companies - to compensate for this loss. And you know that it is only large companies who can afford the fancy legal footwork to take advantage of these loopholes. They can afford the scam. Small business cannot. And it is small business which is the engine of economic growth in Alberta as in the rest of the country.

The existing sales tax - the one we want to get rid of is a tax on traders. Canada is a trading nation. Alberta is a trading province. No developed country in the world depends more on trade than Canada and few provinces depend more on trade than does Alberta.

It is simply nuts for the nation most dependent on trade to also be the nation most severe in punishing its own traders.

For Canada - and Alberta - trade is not an option. It is our lifeblood. This Government's trade initiatives - the Canada-US Free Trade Agreement, our Europe 1992 initiative and our Pacific 2000 Strategy - reflect our commitment to future prosperity based on trade.