

Government Orders

There is compassion for you, Mr. Speaker. That is why the elderly do not need to worry about the goods and services tax. They do not run around.

What about the students? We raised the issue of education yesterday and the minister denied that education was affected by this tax. Does he not realize that, for the first time in Canada, we are going to be taxing books? We are going to be taxing reading.

The member for Calgary down at the far end of our side, yesterday, said, "Well, can't they borrow them from the library?" It is hopeless!

The regions of this country, those that are away from the central manufacturing districts of Ontario and Quebec, are desperately concerned about the effects of this tax. They are concerned because, once again, they are going to be excluded from those good manufacturing jobs that have always been central in Canada.

What happens with this tax is that for the first time there is going to be a tax imposed at the federal level on the costs of transportation. It is going to mean that to live in the regions will be even more expensive than before.

To try to put factories in the regions and export things to central Canada to be sold is going to be ever more difficult than it was before because not only will transportation costs be a factor but the tax is going to be imposed on top of transportation costs at the consumer level. The government members don't care about that. In fact, what they see in this tax is the fact that the regions in western Canada will be ever better able to send their goods south of the border. They are looking to the north-south connection. They are not worried about tying this country together as they should be.

• (1530)

There are lots of sectors that are affected badly by this tax. I know my colleagues will be raising many of them in the hours of debate that still remain.

Tourism is important. Tourism has never been taxed at the federal level, other than indirectly to a very minimum extent. Now all tourism services are going to be taxed. There is going to be a disincentive for tourists from other countries coming to Canada where they will be subject to that tax. I know the government is going to

say, "Oh, but they can get a refund. All they have they do is keep all their receipts and send us a nice letter when they get home and we'll send them the money back". That is wishful thinking. I think we would be better to get the tourists here and let them spend their money and keep their 7 per cent, and encourage them to do that.

As for Canadians, is there an incentive to travel within Canada as a result of the GST? No. Why not go south of the border where they are going anyway to do their shopping, because of the government's monetary policy, and not face a 7 per cent tourist tax. Three million dollars a week is being spent in the United States by Canadians who cannot afford our high dollar.

Other sectors include the independent insurance adjusters, just as an odd example. They will be wiped out by this tax. The incentive for insurance companies to do all of their adjusting in-house will be irresistible. A whole entrepreneurial, small business sector of our economy will be wiped out in one move with the imposition of this tax.

Then there is the objective of simplicity. Mr. Speaker, my leader yesterday did some reading from the act which illustrated the lack of simplicity. I have my own favourite section though. He read the part on housing. The one that I like is Section 148, "Small Suppliers". The reason I like that one, Mr. Speaker, is because the GST is not supposed to be too onerous for the little people, you know, the ones that have gross revenues from their businesses of less than \$300,000. They are really at the low end so they are exempt from this.

They are the music teachers, the people who do hairdressing in their homes and that sort of thing. One of them might want to know for sure that they are exempt so that they do not have to collect the tax. My advice to them, if they are listening, is get your copy of Bill C-62 and turn to page 1990, Section 148. Read this section and figure out if you are one of the small suppliers that is exempt from the tax. Here is what it says:

148. (1) For the purposes of this Part, a person is a small supplier—

So far, so good.

—throughout a particular calendar quarter and the first month immediately following the particular calendar quarter if