

Government Orders

The government is forcing Canadians not just to think about tightening their belts, not just to plan to tighten their belts, but is forcing them to actually tighten their belts themselves. The member for Mississauga South, who is the chairperson of the finance committee, was quoted yesterday in this House as talking in a letter about the government stealing money from Canadians. There is no question that this forced belt-tightening by this government is taking money out of people's pockets. They are taking away the disposable income from people in rural and northern Canada, the disposable income that is so important to stimulate those economies. We have incredible amounts of difficulty in the north and in rural parts of Canada, a lot of which has to do with no disposable income. The price at the farm gate is insufficient to provide disposable income for the agriculture sector. Therefore, there are no extra funds to maintain and build small town Canada. The same applies to northern and isolated communities. This government is forcing that upon us, and there is no recourse for the people in these parts of the country.

• (1850)

The New Democrats have long recognized the inequalities in the existing sales tax system. There is no question. The Minister of Finance points it out day after day in the House here that we want reform of the sales tax system in this country. Unlike the Conservative government opposite, our reform objective is to limit the role consumption taxes will play in our system, not to heighten it further. The economy can ill afford the possibility of higher interest rates which will be caused by these sales tax increases.

The sales tax increases will add to the inflationary pressures that we feel. As a result, the interest rates in the country will go up. Again, in the rural and northern parts of the country, there is no question, interest rates have to be dealt with by this government quickly and in an appropriate fashion for those communities.

I look forward to other opportunities when I can discuss the goods and services tax in particular. In a previous speech in this Chamber on October 7, I mentioned that I held public hearings of my own in my

constituency. Residents of the community came and presented their concerns about the goods and services tax. I have since written a report, and presented it on behalf of my community and my constituency to the members of the finance committee. I look forward to the opportunity to discuss the results of that hearing and the recommendations in that report with members opposite in this Chamber at another time.

Mr. Althouse: Would the member for The Battlefords—Meadow Lake care to briefly tell us some of the things that his constituents were telling him about the goods and services tax.

Mr. Taylor: I appreciate the opportunity the member for Mackenzie has given me.

We had representations from almost every sector of our economy. We had representations from the farm community, the business community, the charitable organization sector, the tourism sector and the service sector. Many individuals, groups and organizations came before us. The public hearing was shared and co-chaired by a member of the legislative assembly in the urban part of my constituency, Mr. Doug Anguish, a previous member of this House. Members of the community came before us and presented their concerns.

One of the particular concerns that struck me was the effect that the goods and services tax will have on the charitable organizations in our community, not the charitable organizations that may in fact get a 50 per cent rebate on some of their costs, but the ones that will not be eligible for rebates at all. One in particular the member for Mackenzie might be interested in is the Agricultural Society, the organization that puts on and sponsors our annual summer fair. It brings in numerous people from throughout the country to display their agricultural products, their livestock, their poultry, as well as participate in the midway and the fun and games that go along with a country fair.

The Agricultural Society or the Exhibition Association, as they are called now, came before us and indicated that the goods and services tax is going to be applied to admission cost. In a sense, this will deter people from coming to the fair.