

*Government Orders**[Translation]*

Madam Speaker, more than 90 per cent of Canadians don't want the GST. Do they realize there is more than meets the eye? Perhaps it is time the minister told the truth about this tax which will come into force in 1991 and will cost all Canadians a lot of money, especially businesses which will have to hire more staff to collect this tax.

Canadians don't want it! The message is loud and clear. Does the minister have a hearing problem?

This tax, as the hon. member for Ottawa South (Mr. Manley) pointed out, is the biggest corporate tax break ever seen in Canada's history: \$6 billion in taxes transferred from corporations to consumers.

Canadians do not know if they should laugh or cry. To help secure the approval of his Budget, the Minister appeals to the pride of all citizens by telling them, and I quote: "Canadians have stuck together through testing periods by reaffirming, time and again, their ability to build on the rich diversity of the nation with realism, determination, foresight and understanding."

*[English]*

When the minister presented this budget, he told the House that the replacement of the existing GST was a key part of the economic plan, that it would strengthen economic competitiveness, contribute to deficit reduction and lead to a fairer sales tax system. He also said that his government was going to continue working with the provinces to seek ways of minimizing the compliance burden of the tax, which is one of the greatest concerns of our small business community. Could the minister explain to the Canadian population how such a fair tax could be such a burden and give everyone a major headache, especially to small businesses?

*[Translation]*

Madam Speaker, the Minister had also assured us that the goods and services tax would be visible and yet, it will remain invisible! He said that the tax would be simple. I know for a fact that small businesses do not agree. Canada will be the only country with two sales tax systems: one federal and one provincial. Is it really the only way the Minister has found to put Canada on the map?

The Canadian Federation of Independent Business believes that the GST will be a nightmare for small businesses. Maybe the Minister is hiding something from us. Does he have shares in the Bayer company?

Besides causing migraines, the Minister seems to have trouble with his memory. He quickly forgets his promises. Businesses which have to collect the GST would have received some kind of compensation. I did say "would have", because of course this is no longer the case. Again, the minister has not kept his word.

• (1230)

Madam Speaker, through the years small businesses have become the driving force behind our economic growth and job creation in Quebec and in Canada as well. The new and developing small businesses have sustained the economic recovery which followed the 1981-82 recession and created in the eighties, most of the new jobs, that is over 80 per cent.

In 1987, 41 per cent of Canadians working in the private sector were employed by small businesses with less than 100 employees. Add to this the one million unincorporated self-employed workers, and you will see that small businesses accounted for 46 per cent of jobs in the private sector in Canada. The Minister of Finance does not seem to realize the significant contribution small and middle-sized businesses have made to support the economy of our country.

Madam Speaker, the small business community also has the highest rate of job creation. This is something quite significant, especially when the Minister of Finance coldly announces an increase in the unemployment rate for the coming year. From 1978 to 1987, more than 50 per cent of new jobs were created by businesses having less than five employees, which increased employment by 167 per cent.

The small business sector is more than a mere source of jobs. It is also a source of innovation and creativity. The Minister of Finance perhaps might get some training there before he presents his next budget.

Because they want to remain competitive, more and more small businesses are doing research and development. Businesses with less than 100 employees accounted for nearly 20 per cent of R & D expenditures in the private sector. This is significant.