

When the time to vote comes, I hope she will remember that she was once a reporter, that she directed her own periodical at a time when much courage was needed for that kind of undertaking. When the time to vote comes, I hope she remembers also that she published many books through publishing businesses which might disappear if not exempted from the TPS. When the time to vote comes, I am sure that Senator Chaput-Rolland will not want to betray writers, publishers and bookstore owners because she would be betraying herself.

When the time to vote comes, all eyes in Quebec will be on her and on some conservatives senators who keep talking about "culture".

Senator Simard: I hope that some will remember your antics and that you have fed

Senator Hébert: I did not get what you said but it is probably not very important in any case!

I am almost through. Unless you want to delay the process, I will conclude my remarks.

Senator Simard: Please do!

Senator Hébert: If you would keep quiet for a few minutes—

[English]

Senator Stewart: He wants to make a speech!

Senator Hébert: He will make a beautiful speech in a moment.

Senator Simard: That is all right. We will finish with you in due course.

[Translation]

When the time to vote comes, the province of Quebec as a whole will watch Solange Chaput-Rolland and some of the Conservative Senators who are always mouthing the word "culture".

And history will draw its revolver!

Honourable senators, I thank you.

Hon. Jean-Marie Poitras: Honourable senators, I believe it is appropriate at this time of the debate on Senator MacEachen's amendment to recall the basic principle we stand up for concerning the GST.

As we know some senators try to distract the public as well as this Chamber from the fundamental principles involved. They try to frighten us with horror stories. According to them every business and sector of activity would be in bad shape, and heading for unavoidable bankruptcy.

True, we are heading for bankruptcy, but the fault lies with the Liberal government, which has been leading us in that direction for about twenty years.

I would like to begin by recalling the basic principles of this tax, because we must keep in mind that it is fair and equitable.

The first principle is to impose the tax only at the consumer level, rather than taxing companies from the start in such way that they cannot compete with their foreign counterparts. With this tax, our companies would consequently be better

able to compete and, above all, to export their products more fairly and efficiently.

The current situation favours importation instead of exportation of our own products.

The second basic principle of this tax is that we taxed companies for 40 years—we are the last country to quit this system—we taxed those who provided the primary products, our manufacturers and contractors. We were taxing them while an economy far different from what we had 50 years ago was emerging. Today, there is a whole sector that we call the service sector. I believe both the public and the initiators recognize it is fair and reasonable that those sectors that are the driving force behind our economy be less severely but more fairly taxed.

The third principle is to establish the lowest possible tax rate and make it universal. This means that, at all levels, in the production or service sector, as a consumer earning \$15,000 to \$20,000 or \$100,000 to \$150,000, every one will pay his fair share of taxes. So that some day, we will be able to live within our means and stop piling up debts as we did under the various Liberal governments.

Moreover, senators on the other side seem to forget that it is a replacement tax. Today, 26 million people in Canada pay in excess of \$18 billion in tax without knowing it, without realizing how everybody, students, seniors and children are penalized. They pay a sales tax without knowing it and without being able to make themselves an idea of its scope.

We will replace that tax. We are not creating a new one. In a way, those \$18 billion will stay in the hands of individuals of our society to promote development. We don't ask for an additional \$18 billion. Of course, the opposition doesn't want that tax. They ignore it. It is a new scarecrow. I think that people must realize that it is a replacement tax and keep that in mind.

People were invited to express their views, despite a limit imposed on the numbers and some kind of screening of those who wanted to debate and present their submissions to the Standing Senate Committee on Banking, Trade and Commerce.

At that stage, we had 300 witnesses or, to avoid repetition, perhaps 250 who came to tell us, each in his own way, how this tax would change things for them and how they would adapt to it. They often made constructive suggestions.

We also had many people who wanted to be exempted from the tax for one reason or another, because they got used to the government always helping them.

You all know, honourable senators, what this kind of policy did year after year with the sales tax. Today we have over 22,000 special arrangements for permanent exemption in some cases and for special treatment in others. These arrangements are detrimental to other people who do not benefit from them.

If we start granting exemptions for whatever reason, we will surely get to the same point. What senators on this side want to avoid is a higher tax, but if we start giving exemptions, we will have no choice but to raise the tax and increase the burden