

Government Orders

removal of the telephone or communications tax. It lists transportation but does not talk about the input tax credits on fuel costs. It lists insurance and a whole series of other things, many of which are not taxed at all. It is no wonder that Canadians are somewhat confused when they get information of that nature.

A communiqué released on January 22 by the New Brunswick Senior Citizens Federation states: "Axe the tax Boycott G.S.T." On page 4 it lists some of the things that are taxable. Under utilities, it talks about water.

The legislation is very clear. Water is not taxable. It also talks about music lessons. Very clearly, music lessons are not affected. It talks about insurance. Very clearly, insurance is not taxed. It talks about the price of a \$10,000 car but does not mention at all that with the removal of the existing federal sales tax that \$10,000 car will cost less. It simply adds the GST to the existing \$10,000 price.

With erroneous information like this being disseminated across Canada, I do not wonder that a lot of Canadians are opposed to it. If I received information like that from people I trusted I would be upset too. Now I know that they are wrong and I hope that Canadians who are listening will in fact get the correct information.

Not all Canadians are spouting negatives. There are some who are very positive. I have here a September editorial from *Business News* which was distributed in the Oshawa area that has been traditionally known as NDP country. It states:

Go for it, Mike.

And if there must be an increase, then a sales tax seems as fair a way to implement it as any. All the necessities will not be taxed—food, rent, day care and health services will all escape the tax—so those who are just getting by will not be affected much, if at all. Instead, it would appear, those who consume the most will pay the most. Isn't that the ideal for taxation—

This is from an editorial in a newspaper distributed in Oshawa.

I might add that recently I spoke to the Oshawa Chamber of Commerce. Oshawa is not my particular riding. It is a vacant riding at the moment in that it is not represented by a member of Parliament. At the Oshawa Chamber of Commerce where I spoke there was a poll taken of all the members who were present. I did not choose the members. I know that many of them came to

oppose the very thought of my speaking on the goods and services tax, yet 43 per cent of them were in favour. My caution to the NDP and their colleagues is that pretty soon there is going to be a by-election. We will take 43 per cent in Oshawa any time, thank you very much.

Having said that, I would like to get on to the issue of the federal sales tax. We seem to be ignoring the whole concept of the fact that the federal sales tax is there and that it is being eliminated. Many of the speakers we have heard in the House of Commons, particularly in the Opposition, talked about the impact of the GST and totally forgot about the elimination of the existing federal sales tax.

Let me tell the House what some people who appeared before the finance committee have said. Many of these presentations would not necessarily be talked about in public, at least not by the Opposition.

For example, when the Metropolitan Montreal Chamber of Commerce appeared before us on October 11, it very clearly said, and I quote: "We would first like to reiterate that we support the elimination of the present federal sales tax which is probably one of the worst taxes in the world. It promotes imports and impedes exports."

One has to acknowledge that the National Chamber of Commerce appeared in front of our finance committee hearings and said something somewhat different. As we travelled across Canada, whether in Vancouver, Edmonton or Manitoba, as we travelled west and went down east, it is noteworthy to recognize that individual chambers made the point very clearly. They agreed with the elimination of the federal sales tax. They also agreed with the implementation of a value added type tax like the goods and services tax.

So that you do not think we only had business speak to us in favour of the elimination of the federal sales tax, Mr. Speaker, we also had some friends of the NDP appear before us. In fact, on October 10 the National Director of the United Steelworkers of America appeared before us. Here is one of his comments which I will quote verbatim: "We support the elimination of the manufacturers' sales tax. In a country whose manufacturing economy is under constant pressure, it makes no sense to have a tax system that biases the internal economy in favour of service providers. And, in an economy as heavily dependent on trade as Canada is, it