

Yes, indeed, the people of Quebec will realize that instead of paying 9 per cent, as they were paying up until now, they will suddenly be paying 18 per cent. As I pointed out earlier, the administration cost of the tax is about 9.3 per cent of sales. There is no doubt but that these costs will be passed on to the consumer. Given the reality of increasing prices, the Quebec consumer may be facing the equivalent in GST of 25 per cent. What can be done? If one gets into bed with Mr. Mulroney, one ends up facing a cost 25 per cent. If you are a quadruped, you lose a leg.

Senator Lucier: My point was that I wonder if the people of Quebec who will be paying this tax have really had it put to them before. Do they understand what is going to happen to them? It seems that they have not fully understood. No one has gone to great lengths to explain it because of other problems in Quebec right now. There is a commission going around in Quebec right now which is really dominating the press. It seems to me that the people of Quebec have not been made aware of what is in store for them. What you have said about the increase in taxes for the people of Quebec will hit them some day, but it might be too late. They will be taken by surprise when it hits them. That is my point.

Senator Gigantès: Senator Lucier, I have not seen studies in the Quebec press or in learned journals about the perception of the Quebec public on what the tax will be. Criticism of Mulroney government policies in the Quebec press is generally muted. They reserve their fire for others, not for Mr. Mulroney. It is, of course, entirely a democratic right to dump on anyone you want. But the people of Quebec are generally very perceptive. I think they know what the tax is doing to them. However, they are business people, like business people elsewhere. The big business people, whom they love to call institutions in Quebec, have been for this tax for the same reason as big business people in the rest of the country are all for this tax.

● (1445)

Senator Lucier: It is to their advantage.

Senator Gigantès: It is to their advantage, and at this time, because they have helped the movement for sovereignty, independence, self-assertion—call it what you will—they have more prestige than before. Quebec has been on a jag of worshipping its business people, le merveilleux monde des affaires. There are some journalists who do not sort of faint with reverence at the sight of these monuments, these human monuments to greed, but most Quebecers do and I think that may influence their judgment. You know, if a monument like Monsieur Castonguay, Monsieur Poitras think this is a good tax, it must be. It must be.

Senator Lucier: They trust him.

Senator Gigantès: Of course. He looks trustworthy. Even I would trust him, even though I am getting to know that he will give me a sneaky and unworthy blow from time to time. He is such a cuddly, trustworthy guy that he has a huge effect. One of Mr. Mulroney's secret weapons. He put Mr. Poitras in front and all Quebec could be saying, "How could he be telling us a

lie? It is not possible. He is such a wonderful man. Everybody's favourite uncle or grandfather." That is the way Mr. Mulroney operates.

[Translation]

Senator David: Sorry to interrupt, senator Gigantès. I am very touched by the concern the honourable senator opposite is showing for the people of Quebec, who are so preoccupied with sovereignty-association, independence, renewed or improved federalism and the like that they cannot even see this tax coming and must therefore be dummies.

I resist the idea that there be 4 or 5 million dummies living in Quebec. I believe that the business people have explained well the impact this tax will have. The great newspaper editorialists, particularly Alain Dubuc, who wrote numerous articles on the subject and whom you were quoting this morning, explained it abundantly. The evening before last, the President of the Consumers' Association was on a show I was watching on TV.

I understand. You must be so tired after talking for 13 hours on this, that and the other. I understand full well that you may have some problem understanding.

Senator Gigantès: You can cancel the 6 p.m. adjournment. I am ready to go on.

Senator David: What I said is that I am talking somewhat on behalf of the Quebecers. I was saying that the President of the Consumers Association, who represents thousands of members, publicly supported the tax in principle. I would not say that the people of Quebec do not know what to expect with this tax. I do not think that the honourable senator displayed concern for our people out of generosity.

[English]

Senator Lucier: Honourable senators, I would like to make it very clear that when I was asking my question of Senator Gigantès, I was not in any way trying to belittle the people of Quebec, nor have I ever done that. Nor will I ever do it. I was just trying to point out that this is a very complex tax, to begin with, the GST, and the Quebec melding of their tax with the GST will again be much more complex, and the truth of the matter is that the ordinary working person of Quebec is worried about how he is going to get himself through the recession, worried about what he is going to do about Christmas, and is being depressed. Let us face it. The majority of the press in Quebec is dealing with the commission hearings and with the Constitution right now. That is basically the type of thing they are dealing with. They are not spending a lot of time trying to explain the GST, and the new GST that will take place with Quebec involved, to the people of Quebec. Now I know that the people of Quebec eventually will find out what is happening as the people of the rest of Canada have done, but we have been dealing with this GST in the Senate for quite a few months now, and I still say that there are a lot in people of Canada who do not understand the GST. In fact, the people in the government who are selling it do not understand it, and if you do not believe that, call them any day and