

Oral Questions

I have here a copy of Friday's briefing notes to the cabinet ministers in terms of the supplementary estimates, the notes that the Minister of Finance and others had on Friday. In here we have 10 pages of briefing notes and 25 questions and answers suggested for the ministers in areas dealing primarily with the GST, cut-backs, and the military.

I do not have time to refer to many of these, but I want to ask the Minister of Finance if he can be frank and honest with the Canadian people and tell us what the cost of administering and setting up the GST will be in light of the fact that among other questions, question No. 4 says: "What are the ongoing costs of implementing the GST?" The suggested answer is: "Once legislation is approved, we will be reviewing departmental requirements for this year and the availability of funds in existing appropriations. If additional funds are needed, they will be included in further supplementary estimates".

In light of that, Mr. Speaker, are we to expect even further supplementary estimates for the GST? Can the minister now be frank, open and honest with the people of this country and tell us exactly how much it will cost to set up and administer the GST, or do I have to read the rest of his notes into the record?

Hon. Otto Jelinek (Minister of National Revenue): Mr. Speaker, the hon. member can read any note into the record that he wants. He will know that in so far as the proposed costs for the GST are concerned, we have been open right from the start about what the costs are going to be.

Some hon. members: Oh, oh.

Mrs. Shirley Maheu (Saint-Laurent—Cartierville): So far.

Mr. Jelinek: This member is a member of the Standing Committee on Finance where, on March 13, I gave the estimate officially as to what the costs were going to be for the GST for the preparation and planning. That figure which I gave to the finance committee was \$300 million. I am happy to note that the cost for that is below \$300 million.

If the hon. member is talking about collection and administration, that has been stated in the finance minister's budget papers of earlier this year, and we are on budget and on target on those. I have been open and

honest with everybody, as were all my other colleagues. I can tell the hon. member that we are on track and on budget.

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NATIONAL DEFENCE

Mr. John Brewin (Victoria): Mr. Speaker, on the same subject, the same briefing notes say in respect of National Defence expenditures that National Defence had been planning to absorb the 1989 and 1990 budget reductions through a series of internal measures, but it goes on to say that now that the gulf situation has come about, we can squeeze in these items under the heading of the Persian Gulf expenditures. In fact, when one looks carefully at the notes that were provided the public on Friday, it becomes very clear.

Of the \$121 million in capital expenditures for equipment, only \$21 million are for the gulf and over \$100 million expenditures are for "the advancement of previously planned military equipment purchases". Will the minister explain to the House what planned expenditures are being advanced, exactly what these funds are going for, why over \$200 million is not going to the gulf at all but in fact going to enhance the Department of National Defence?

Hon. Bill McKnight (Minister of National Defence): Mr. Speaker, I guess I should not be surprised at the member's mathematics after hearing him on the weekend say that he was informed the cost in the gulf was \$1.3 million a month, which included rental for some accommodation and some dry cleaning for forces stationed there. He should have paid a little more attention to the briefing and the information we provided not only to the members, but to the media.

If he takes a look, he will find that there is \$121 million for capital. I said on Friday that a major portion of that was under commercial negotiation by the government to acquire additional capital assets that we need at this time.

The member asked for what purpose. I can inform him that it is for the general military preparedness of Canada because we have a very serious situation. Because the government—and I am sure it is supported by the hon. member and his party—has put men and women in the Persian Gulf region, the government believes that they should be sustained and supported.