

Oral Questions

invoking section 26 of the Constitution, I might just remind him that that action was perfectly legal and it has been upheld by at least three court cases.

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I also have a question for the Deputy Prime Minister. It concerns the leaky GST amendments, a copy of which I have in hand.

These amendments propose a series of changes to take effect at the same time as the present GST before the Senate is to take effect, on January 1. Is this not proof that the bill is badly flawed? Is this not proof that the Prime Minister and this government should have told the truth to Canadians, that the bill is wrong and should be withdrawn?

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)): Mr. Speaker, I do not know where the hon. member has been all these months. Both the Minister of Finance and myself, in this House and outside, have indicated that we were listening to Canadians.

We have already made, as the members knows very well, a number of improvements in the operation of the GST. We have done it. We will, as necessary, continue further improvement to the GST when the bill receives Royal Assent.

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, this is the same government that told us there was only one budget leak. That is how honest this government is.

I would like to ask the following question of the minister who has just replied.

[*Translation*]

Why did the minister choose not to advise the House when he realized there were major flaws in his legislation? Why did he hide that information from the House? Why does he want to introduce a bill through the back door on Parliament's last sitting day before the Christmas recess? Why did he hide the truth from Canadians.

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)): Mr. Speaker, never did the government hide the truth. Quite the contrary, and I am amazed that a member who has been in this House for so long, at least for me because I am a relatively new member— Every time a budget is tabled we introduce a number of bills related to the budget, and in turn these

are followed by others to make improvements and close loopholes. In the case of this major reform we consulted with Canadians. That is what we have been doing since August 1989, and we will seek every means available to ensure that the tax is as fair, as equitable and as effective as possible.

[*English*]

Ms. Audrey McLaughlin (Yukon): Mr. Speaker, my question is for the Deputy Prime Minister. Clearly the government is intent on ramming through the GST. It is unfortunate that the Liberal senators did not vote against the GST on first reading or on second reading, or we would not be at this point now.

Some hon. members: Hear, hear.

Ms. McLaughlin: Mr. Speaker, both the Prime Minister and the Minister of Finance have said at various times that there are flaws in the GST. The Department of Finance has now released a document saying that the GST does have flaws. Surely it is the government's responsibility to get it right the first time. It obviously could not with this tax. It obviously could not bring in a fair tax system.

Will the Deputy Prime Minister do the right thing now and withdraw the GST?

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)): Mr. Speaker, I would like to tell the hon. Leader of the NDP that we shall do no such thing because this reform is very good reform for the economy of Canada. It will inject in the economy \$9 billion, and this is what we are waiting for.

As for technical improvements, she knows as I know that as we go along, as we consult, as we are informed of possible improvements, we bring them on side. What is wrong with that? We are an understanding and attentive government.

Ms. Audrey McLaughlin (Yukon): I have a supplementary question, Mr. Speaker. It is also a government that says to Canadians: "Just trust us".

During the free trade debate there were a lot of promises made about lowered prices and a level playing field. We do not have any of that. The economy is in shambles. There are not more jobs, there are fewer jobs, and now the government says: "Just trust us. We will fix up the GST. Don't worry about it". We are worried about it.