

The Minister of Finance has a tendency sometimes, and certainly I do not take it as a personal affront, to use some pretty strong language. He has accused people of weaselling out.

Mr. Wilson (Etobicoke Centre): He didn't like that word. He is getting a little sensitive.

Mr. Young (Gloucester): The Minister of Finance is right. I did not like that. But I was prepared for it because the Minister of Finance, as you well know, in November of 1988, called the leader of the Liberal Party at that time, a liar, a coward, and all kinds of things in discussing the goods and services tax. What I think is important is to now look at the four principles that the Minister of Finance and the government have put forth.

First of all, visibility. Bill C-62 is a bill which undoubtedly will have further amendments to it because the government members of the committee have proposed amendments and probably some members of the House may have some amendments.

If you look at clause 223, you will find that "visibility" is not at all guaranteed. All that is said in Clause 223 at page 128 of the bill is:

223. (1) Where a registrant makes a taxable supply, the registrant shall indicate to the recipient, either in prescribed manner or in the invoice or receipt issues to—

The "prescribed manner" is the interesting point because when we questioned the officials of the Department of Finance, they said that we were quite correct, that there would be no way for an individual to know that they had paid the goods and services tax unless they did the calculation themselves.

The example I would give is of a Canadian consumer going into a corner store. Many items in that corner store will be subject to provincial sales tax. Many will be subject to federal sales tax, but under no circumstances will that store ever be able to equip itself with the system that is adequate to break out the different taxes on the individual items. One can imagine the kind of nightmare that the Canadian Federation of Independent Business and others have been talking about.

We have this criteria of visibility not being met. To be fair, it will be met in some instances. However, we were basically told about signs, but we do not know how large the signs would be, where they would have to be placed, whether they would be bilingual, all the kinds of the

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questions people will want to know who will have to administer the tax and collect it for the government.

Another aspect is revenue neutrality. The chairman of the finance committee was very honest. At about the same time the Minister of Finance was calling other people names during the election campaign, the member for Mississauga South was saying that at 9 per cent the federal sales tax might raise anywhere from \$8 billion to \$14 billion in extra revenue. Now, of course, with the tax at 7 per cent, probably that figure is around \$4 billion or 5 billion.

Do Canadians really believe that a government would undertake a tax policy that has seen the government plummet in the polls to a rating of about 17 per cent across the country; that it would hire 4,000 or 5,000 new tax collectors to administer the bill; that it would get involved in all the kinds of problems that Canadians are pointing out to them on a daily basis, unless there was some secret agenda?

Revenue neutrality is the one area I think we need to examine. If we look at the experience in other countries, the Government of Canada is convinced that although it is going to suffer some short term pain it believes that once it gets the system in place, that probably there will be a few extra dollars in the pot and that it will be able to sweeten that pot come next election.

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In other words, the hidden windfall revenue that could conceivably be collected by this allegedly revenue neutral tax would then be used to try to bail it out. It either is revenue neutral or it is not. That is why the Canadian Chamber of Commerce and the CFIB and others have said if there is any moneys extra that accrue to government they should be used to directly pay down the deficit as opposed to playing games with electoral promises come the next election.

Another area that was very important was the area of fairness. The government said that any goods and services tax or retail sales tax would have to be fair. It has tried to put forward figures indicating that people earning \$30,000 or less a year in terms of family unit would be better off under the goods and services tax.

Those numbers have been challenged by reputed people in the area of economics in this country such as Neil Brook's study, the study for global economics. The credits are not fully indexed. This is where the fairness