

*Supply*

be going back to our constituencies on the weekends and spending time through the summer and being in contact with our constituents through our offices, that members on the government side, as a block, would support the goods and services tax as we move deeper into a recession.

It seems to me that there has to be new mechanisms put in place to allow for members of Parliament to speak their minds on issues that are important to their constituents. Although there may be frustration with some of the parliamentary procedures, there is far more frustration for people who do not reflect the views of their constituents.

I would hope as we go through this debate that we will hear from the Minister of Finance. One of the things that many people have understood about this government is that it has reacted many times to polling and has made decisions on the basis of how it perceives Canadian public opinion to be responding on a certain issue.

There is no doubt that it has given up the battle on this. There is no question as it relates to the goods and services tax or management of the economy in general, that the government has taken the John Paul Jones approach of damn the torpedoes and full speed ahead, and we are going to do it regardless.

I know the Minister of Finance has held that office almost longer than any finance minister in the history of this country. Whether or not he has decided to go down with the ship is something we are going to learn in the very near future. It is important for Canadians to feel that the Minister of Finance understands their problems. Second, it is important for Canadians to believe that the Minister of Finance and the government will respond to those problems. We believe that the government has to bring in a revised budget, if not a new budget, a mini budget, a new statement. The September 17 statement in Edmonton recognized some of the changes that have occurred in our economy. But the fact is that the projections in the budget the minister brought in in February are completely off base because so much of it is now proven to be erroneous.

• (1530)

It is no longer a question of speculation on interest rates. It is no longer a question of speculation on the amount of the deficit. We are in a different situation and Canadians believe that they have a right to have the finance minister come in. He does not have to say: "*Mea culpa*," and beat his chest. He just has to say what Canadians already know, that it has not turned out the way we thought it would, and we believe we now have to change. We have to say to the Governor of the Bank of Canada that there has to be a reduction in interest rates and that he is not moving in a long-term way with enough credibility to be able to force the value of the Canadian dollar down to try to protect our export industries.

The other question I want to draw on before I conclude is the argument by the Minister of Finance and government members that there are no alternatives. When the Minister of Finance came before the Canadian people after the 1984 election, he talked about a long-term plan to stabilize the fiscal situation in the country. He talked about tax reform, deficit reduction, and spending restraint.

We are in a far worse situation now than we were in 1984. The minister can say that relatively speaking, and using the right numbers, there have been some improvements. But the fact of the matter is that the debt is far higher, the cost of servicing the debt is far higher, and interest rates are higher than they have ever been in relation to American rates in terms of the separation between the two. What we need to find out today, or very soon, is if the government is prepared to look at alternatives.

When the minister states that there are no alternatives, surely he understands that it is not within the realm of possibility for ordinary Canadians, or even people who have a lot of expertise in the tax field, to come in with a panacea. The minister has been struggling with it for six years.

Neil Brooks of the University of Toronto came out with an alternative suggestion. Dennis Mills of our party has been working at trying to put forward a simple tax proposal. There is another group at the University of Toronto that recently put forward some proposals to deal with the replacement for the goods and services tax. We are not suggesting that any one of these alternatives is the absolute answer.