

Government Orders

weekend, will the minister raise the rate of the tax over the next few years?

Mr. Wilson (Etobicoke Centre): Mr. Speaker, I dwelt a fair bit on the question of complexity during my comments earlier today. We recognize that there is something clearly new about this tax which will cause companies to have some problems in the early stages in developing their understanding of how it is going to affect their accounting, how it is going to affect their pricing, how it will affect their purchases.

One of the things that my colleague, the Minister of National Revenue, will be doing is having the national revenue people working with individual companies on a one-on-one basis to help them understand and answer their questions on how the—

Mr. Boudria: Tax police.

Mr. Wilson (Etobicoke Centre): Now, the hon. member says "tax police". How can he possibly—

Mr. Speaker: Order. I would ask the hon. minister to direct his answer to the member and I would ask other hon. members to refrain from asking questions until they are recognized. The hon. minister.

Mr. Wilson (Etobicoke Centre): Mr. Speaker, your wisdom is always overwhelming. I appreciate you bringing me back to the question.

This visit will be on a basis where we will do everything we can to help these companies understand the system and in that way minimize the degree of complexity that might be there.

On the second point, the hon. member asked what we are doing to help the poor and the senior citizens, people who are concerned about the possible impact of the GST on their standard of living and their way of life. I would like to point out the range of families in the Atlantic provinces that will be eligible for the GST credit. In Nova Scotia, 74 per cent of families will be eligible for the GST credit and 85 per cent of those in Newfoundland will be eligible. It is lower in other provinces. In Quebec it is 73 per cent; in Ontario, 58 per cent; and in Manitoba and Saskatchewan, 64 per cent. So there are a large number of families who are going to be in receipt of this.

• (1755)

The third question my colleagues has asked is as to what assurance we can give him that the rate will not go up. I think the greatest assurance I can give to him and to all Canadians is that if governments continue to control spending, and we have been controlling spend very tightly in recent years—

Mr. Gauthier: Nonsense. Sit down, Michael.

Mr. Wilson (Etobicoke Centre): Mr. Speaker, this is provocation. There is a 3.6 per cent growth rate in our program spending. To continue that is the best way we can ensure that not only is this tax not raised but that other taxes are reduced.

Ms. Blondin: Mr. Speaker, my question is for the Minister of Finance, on behalf of some real Canadians. Be they somewhat frozen today at 48 below, they are real Canadians.

On October 2, 1989, I asked the minister what the effect of the GST would be on the north since that information was absent in any of the documents on regional effects. He said, "It will improve the economic fortunes of the north by 1.5 per cent".

I would like to ask the minister, now that he has received submissions from many northern groups, including the Government of the Northwest Territories, stating that the tax will cripple the north, whether he can tell us today what measures he proposes to compensate the residents of the Arctic for the extremely high prices northerners will have to pay?.

Mr. Wilson (Etobicoke Centre): Mr. Speaker, I simply do not accept the rhetoric that the hon. member has used that it will cripple the north. I simply do not accept that.

Ms. Blondin: These are not my words.

Mr. Wilson (Etobicoke Centre): But it is the rhetoric that the hon. member is using.

The point which must be made is that this tax is very good for businesses that are in the north and other regions of the country. It is the businesses that create the jobs. Because the tax will be taken off the exports of the mines, some mines will be kept open that might otherwise close. In addition, because there will be no tax on the capital investment in a new mine or a new forest products project, it will be cheaper to bring these