

about \$300 ahead. A single parent, with two children, earning in the \$25,000 to \$30,000 range will be ahead \$267 to \$346.

How can the hon. member stand up in the House and utter that nonsense when he knows that the statements in this document are saying exactly the opposite.

[*Translation*]

Mr. Douglas Young (Gloucester): Mr. Speaker, since the Minister of Finance is such a good reader, perhaps he would be so kind as to answer this question.

The minister told us yesterday that the deficit for this fiscal year should be about \$30.5 billion, right on target. However, the minister did not produce figures on the deficit for the years to come. Will the minister confirm to the House today that the deficit for the current fiscal year will be maintained at \$30.5 billion, and second, will he look in his book and tell us what is going to happen to the deficit in the years following the introduction of his GST?

[*English*]

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I can confirm what I have said on a number of occasions that the deficit for this current fiscal year is on track. I also said yesterday in my remarks, that the deficit next year is under some pressure, and it will probably require some expenditure reductions in order to bring it on track. That information will be made available to the public at budget time.

Mr. Douglas Young (Gloucester): Mr. Speaker, yesterday we had the spectacle of seeing the Minister swallow himself whole. He bit the bullet, he back-peddled, he listened to the pollsters, and he set a GST rate at 7 per cent. Now, I wonder if the minister is going to listen to the consumers of Canada, to business, to bankers, to the unanimous recommendation of the finance committee—he often refers to the work of the finance committee—and to the recommendations of the ten premiers across this country.

Will the Minister of Finance, for the benefit of Canadians and in the spirit of Christmas, eat crow and reduce the interest rates in this country?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I can see that my hon. friend from Gander—Grand Falls is not here because I think he might be able

to coach the hon. member a little bit better for his questions.

The hon. member refers to the work of the finance committee. I have a summary here which shows that the most common recommendation or statement that was made during the course of the finance committee hearings was that we should have a change from the existing 13.5 per cent federal sales tax to a goods and services tax. We have listened to that.

The hon. member makes these comments criticizing me for listening to Canadians. When I listen he says I am swallowing myself, and when we do not listen he says why are we not listening. We are listening, we have listened, and we are going to continue to listen.

I am not going to answer the question that he has just asked. I have answered that about half a dozen times over the course of the last three or four days. If he wants to get together with me, I will explain it to him chapter and verse. But I have given the House that answer many, many times.

Mr. John Manley (Ottawa South): Mr. Speaker, the Minister of Finance promised Canadians with tax reform a fairer tax system. Yesterday, he announced that he was at least temporarily setting the rate of the GST at 7 per cent. When he did so he asked large corporations and high-income Canadians for only \$400 million while he was asking for \$5.5 billion from everybody else including the lower-income Canadians, students, the elderly and small business.

Given that the sales tax is inherently regressive, especially since the credits to the poor are not indexed, would the minister please explain to Canadians what is his concept of fairness?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, the hon. member asks—

An hon. Member: Page 12 of the book?

Mr. Wilson (Etobicoke Centre): Friends across the way wonder what page of the book I am reading from. They have not read the book because if they had read the book they would not be asking the questions.

The hon. member is being misleading—I am not going to say deliberately misleading, I am going to say misleading—in the way that he expresses his question. He knows that as we have dropped the rate by two percentage points, obviously we are able to reduce the amount of protection that we are providing for people who want to buy a new home or people who are in low-income brackets, and we can also remove the middle-income tax