

*Oral Questions***THE PAGES**

The Speaker: Colleagues, without prejudicing anything that will take place in this House, as many of you know this year's group of pages will be leaving us to pursue other goals and aspirations.

These pages, your pages and my pages, are a good example of the promise of Canadian youth.

[Translation]

I thank these 42 young women and men who have served us so well in this, the beginning of the 35th Parliament.

[English]

As members we hope that all pages have benefited from their experience here and that some day they may return to serve their country again. They have dedicated much time and energy to making our lives easier and to learning about their Parliament and their country and they have done this while attending their first year of university on a full time basis.

[Translation]

I know that all hon. members join me in wishing them every possible success in their future endeavours.

Thank you, my dear pages.

Some hon. members: Hear, hear.

ORAL QUESTION PERIOD

[Translation]

REPORT OF FINANCE COMMITTEE

Hon. Lucien Bouchard (Leader of the Opposition): Mr. Speaker, a few hours after it was tabled, the report of the Liberal members on the finance committee was resoundingly rejected by several provinces, including Ontario and Manitoba.

• (1420)

The Prime Minister and the Minister of Finance both quickly distanced themselves from this proposal to implement a hidden GST that would integrate the provincial sales taxes. In other words, the Liberal report has already been shelved.

Now that the government has returned to square one by disowning the Liberal members' report in that way, can the Minister of Finance tell us what alternative to the GST he intends to submit to the federal-provincial conference of finance ministers scheduled for next week?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec): Mr. Speaker, unfortunately, the Leader of the Opposition is wrong. I have in front of me quotes from Newfoundland's finance minister, Winston Baker, who says that he is in favour of beginning discussions; so is Allan Maher, New Brunswick's finance minister.

I must tell you that the Leader of the Opposition quoted Mr. Rae. I have Mr. Rae's exact words, which I will quote in English since he spoke English.

[English]

Mr. Rae said he was willing to work with Ottawa to replace the tax, we have a tax that is like sharing a bedroom with a gorilla, so if we can have any suggestions as to how to move the gorilla out of the bedroom I would be happy to discuss that.

I have not had a lot of experience with gorillas in bedrooms—I would interpret that it may well be difficult—but I believe the premier of Ontario was saying he is prepared to co-operate.

Hon. Lucien Bouchard (Leader of the Opposition): Mr. Speaker, the question is who is the gorilla? I strongly suspect it is the Minister of Finance, and I do not like having him in my bedroom.

[Translation]

Mr. Speaker, I ask the Minister of Finance if he recognizes that the provinces' negative reaction—he knows that they are against it—to the GST replacement proposed by his Liberal colleagues from whom he seems to be dissociating himself now is a new blow to his government in its relations with the provinces, which have already rejected social program reform, the national health forum and interprovincial trade negotiations.

[English]

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec): Mr. Speaker, I know I speak on behalf of Mr. Rae. I know that in my case and in his case either one of us would rather share a bedroom with a gorilla than each other.

[Translation]

Mr. Speaker, it is very clear. The finance committee's report—I must congratulate the members of all parties who were on that committee. I think that they heard 500 witnesses, they read at least 500 briefs; in any case, they received a lot of people. I think that they did an outstanding job and we will certainly accept it as a basis for discussions with the provinces.

I believe that the main recommendation, namely harmonization with the provinces, is something that everyone—that is, the business community and consumers—wants.

Hon. Lucien Bouchard (Leader of the Opposition): Mr. Speaker, given the refusal to merge the GST and provincial taxes, a merger that is contrary to the provinces' fiscal autonomy, does the Minister of Finance not admit that the best way to