

Supply

I referred to this in Question Period I referred to, and I repeat it again. The Economic Council did come up with a scenario that said if rates were brought down to our February budget level, the result would be a combination of economic growth and a wiping out of the deficit by 1995. They also pointed out a dark side: "That would be an inflation rate that would be disruptive, causing a return to monetary restraint in the mid-1990s. In short, this is a flight plan for a roller-coaster ride." That is the point that I wanted to make.

We know that the economy is in tough shape. We know that people are going through a difficult period here. The key that we have to ask ourselves is: If we had taken the roller-coaster ride that the Economic Council has described, where would we be in one, two, three or five years time? We are determined not to get into that same trap that was fallen into not just by the government here in Canada, but by governments in other parts of the world as well. That is why we are following these policies.

This takes me to where we are now in the life of this Parliament. This government has put forward four pieces of legislation. Bill C-21 is the unemployment insurance bill. It includes a number of elements of unemployment insurance reform, designed to broaden the scope of unemployment insurance at the same time as tightening up on unemployment insurance, and also providing some financing to the Government of Canada to allow it to get its deficit down.

Bill C-28 is a number of income tax measures, including the large corporations tax. Bill C-69 is a bill designed to reduce a number of government spending programs so that all of these together can take real action to get the deficit under control.

In addition, Bill C-62 is designed to stabilize the fiscal position of the Government of Canada. All of these are designed to do precisely what the Economic Council and these business groups have suggested we do, get the deficit down.

In December 1987 we had a report from the senators. Senator MacEachen, Senator Buckwold, the current chairman of the finance committee, and Senator Kirby, all of those gentlemen are fighting these four bills, as well as the GST.

I believe I have seven more minutes, Mr. Speaker. I started at 3.45 p.m.

Those three senators are fighting the GST and these other bills. Those three senators came in with a report in a Liberal dominated committee which says that they recommend that the government scrap the federal sales tax and introduce a multi-stage, broad based sales tax, which is precisely what the goods and services tax is.

This is the hypocrisy that I see in this place when, on the one hand, we have people like my friend opposite saying: "You should do this." Then, on the other hand, he takes all the steps possible to make it extremely difficult if not impossible to do the things that he is precisely requesting that we do.

• (1600)

The Liberal Party ran in the last election and number two on the Liberal Party election platform was: "A Liberal government will not proceed with stage two of the Mulroney government's tax reform plan". That is the sales tax proposal, that is the GST proposal. The Liberal Party said it would not. The Liberal Party was not elected to form the government. The Conservative Party, under the Prime Minister, was elected to form the government.

Now we have a position where the elected government passed a bill in the House of Commons that was part of the Liberals' election platform to defeat and our election platform to pass. We have passed it, with a majority government supported by Canadians in the last election, and now we have not just the Liberal senators but a minority of the senators in the Senate saying: "No, we are going to rise up out of the past, we senators who were appointed by Mr. Trudeau when he was Prime Minister, and we are going to ignore what the people decided on November 21, 1988". They are going to do what that party which was defeated in that same election would do. They say that they are going to kill that tax, in spite of the fact that they were beaten on that platform.

I appeal to my hon. friend and to other members opposite because we have an important problem here, not only a fiscal problem. We have to get these bills passed to be able to deal with the fiscal position of the Government of Canada, and we have a fundamental, democratic problem here.

I just read from the editorial support here. One reads: "Shame on you Liberal senators". There are references to the Senate as an undemocratic anachronism. Others read: "Time for the deadlock clause"; "elected House must show the Senate who's boss"; "the Prime Minister had little choice"; "an abuse of Senate power, embar-