

Oral Questions

affordability of housing. I believe that we have met that commitment.

As far as the numbers that have been produced by the Home Builders' Association are concerned, the proposal that we have put forward is based on the largest data base in the country today, the data base of Canada Mortgage and Housing. It sets out very clearly with a very careful analysis what the impact in the price of a house today, what the effective tax rate in the price of a house today is and we have based the rebate program on this, taking into account the effective tax on a house today. It is on that basis that we feel that the impact on housing, quite unlike what the hon. member has just quoted, is going to be marginal one way or the other in most markets in the country.

• (1440)

We do acknowledge that in the city of Toronto and to a lesser extent, Vancouver, it is a somewhat larger amount but it is about 1-1/2 per cent of the price of a house.

Some Hon. Members: Hear, hear!

Mr. Lorne Nystrom (Yorkton—Melville): Mr. Speaker, I have a question for the Minister of Finance about his grief and suffering tax as well.

I have here a copy of a document that we obtained under the access to information legislation. This document says that the Treasury Board has approved spending in this fiscal year some \$5.1 million to advertise the GST and another \$2.5 million in the next fiscal year to advertise the GST.

How can he justify spending \$7.6 million of the public's money to advertise a proposal that is a partisan proposal of the Conservative party when there is no bill before Parliament, no program passed by this House? It is only flagrant propaganda for the Conservative party. How can he justify that?

Mr. Wilson (Etobicoke Centre): First of all, Mr. Speaker, let me quote the member for Regina—Qu'Appelle. He said: "Our existing sales tax is a total mess. I do not have to be convinced that the sales tax regime which now exists is in need of reform. It is as I mentioned, very arbitrary and confusing". Clearly, the New Democratic

Party and the government are in agreement that there must be reform of the sales tax system.

I can tell from the nodding that the Leader of the New Democratic Party agrees with the conclusion that I have just drawn.

Now, why are we budgeting moneys to make sure that Canadians understand what we are doing with this proposal? A year ago February the finance committee of the House of Commons went to New Zealand and one of the conclusions that they came back with was "make sure that you explain to the Canadian people why you are changing the sales tax system and how you are going to change that sales tax system". Mr. Speaker, that involves brochures. It involves advertising. It involves a wide range of the various tools that have been used by government from time to time to enhance the understanding of Canadians about government policy.

Mr. Nystrom: What I want to know, Mr. Speaker, is how the minister can justify spending \$7.6 million of the public's money, of the taxpayers' money, on a proposition that has not even passed Parliament?

[*Translation*]

How can he justify spending as much as \$800,000 for the ad that appeared on August 26, Mr. Speaker? Is the Progressive Conservative Party prepared to reimburse the Treasury for this expenditure?

[*English*]

Mr. Wilson (Etobicoke Centre): Mr. Speaker, governments for a number of years have used brochures; they have used technical papers; they have used a wide range of publicity tools in order to provide understanding and information to the Canadian public. What the hon. member has just held up is an advertisement which draws from the overview of the technical paper, which draws from the brochures that we have used to help Canadians understand this.

Mr. Tobin: Tory propaganda. Shameful!

Mr. Wilson (Etobicoke Centre): The members opposite are bleeding about this. Let me remind hon. members opposite that Liberal governments as well as Conservative governments have used brochures and other forms of material, with budgets, many, many times to do one thing: to make sure that Canadians understand what is the nature of budget policy. We are following the same process with our sales tax reform.