

Oral Questions

Does the Minister of Finance agree that before he considers taxing private health plans and RRSPs, he should first take steps to recover these billions of dollars in accounts receivable?

[English]

Hon. David Anderson (Minister of National Revenue, Lib.): Mr. Speaker, I can assure the House that we will collect the vast majority of the taxes owing and we will do it with interest.

Canadians should know that the accounts receivable of Revenue Canada are not some fund which is available to further reduce the deficit. They are funds taken into account in the government accounting by the Minister of Finance in budgetary projections.

The total accounts receivable stopped growing last year and is now declining. I believe that we will continue to be able to reduce that sum.

[Translation]

Mr. Richard Bélisle (La Prairie, BQ): Mr. Speaker, \$5.4 billion in taxes is owed by 400,000 high-income taxpayers.

What explanation does the Minister of National Revenue have for the fact that so many high-income taxpayers continue to avoid the tax man and keep putting off paying their taxes? Will the minister promise to put in place a system that will accelerate the processing of these accounts receivable?

[English]

Hon. David Anderson (Minister of National Revenue, Lib.): Mr. Speaker, the member appears not to have understood that the accounts receivable are funds collected by the federal government, by Revenue Canada. It is not some fund out there of uncollected money. We constantly collect the accounts receivable.

I believe this amount of outstanding taxes will continue to decline as the economic recovery continues. As Canadians continue to regain confidence in the government and confidence in the improvements in the economy that has been brought about since the government came in, we will see the amount of money that is owed to Revenue Canada declining substantially as the recession of the past and the past government gives way to the recovery of the present government.

Mr. Bob Mills (Red Deer, Ref.): Mr. Speaker, the Auditor General's report today states that during the past number of years the Canadian government donated \$3.1 billion to the Governments of Poland and Egypt to help with their debt reduction payments.

Does the foreign affairs minister agree with this sort of program for the future, considering our current financial situation?

Hon. André Ouellet (Minister of Foreign Affairs, Lib.): Mr. Speaker, the Government of Canada has obligations to fulfil. As members of the G-7 it is important that we fulfil these obligations.

Mr. Bob Mills (Red Deer, Ref.): Mr. Speaker, my supplementary question is for the Prime Minister.

When the red ink book talks about reducing the debt and deficit was it referring to Poland and Egypt or Canada? Canadians would really like to know the answer.

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, we are on target. We said the deficit in relation to GDP would be 3 per cent by the third year of our mandate. The good policies of the Minister of Finance will make sure that we meet our target.

* * *

• (1440)

[Translation]

AUDITOR GENERAL'S REPORT

Mr. René Laurin (Joliette, BQ): Mr. Speaker, my question is directed to the President of the Treasury Board.

The Auditor General's report tells us once again that the government is not running a tight ship. According to the report, since 1987, the Public Service Compensation System has cost the government \$170 for each of its 200,000 employees in the Public Service, while the unit cost for provincial governments is between \$50 and \$70.

How can the President of the Treasury Board tolerate the fact that the federal government's management of its compensation system is so costly and inefficient and that the government absolutely refuses to examine many other cases of wasteful spending in its administration, something the Official Opposition has been asking for the past year?

[English]

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker, I was not around for some of the years hon. members opposite were. Maybe they know about those practices back in the 1980s and early 1990s.

The government is determined to clean up those practices and to make sure the government is open and transparent and manages its affairs in a cost efficient way.

Certainly we want to study the Auditor General's recommendations. We want to be able to implement them and make sure that Canadians are getting value for the tax dollars they are giving to us, whether it relates to the public service or any other expenditure. We want to be cost efficient and effective in the use of taxpayers' dollars.