

*Oral Questions**[English]***THE BUDGET****NATIONAL SALES TAX**

The change in the UI Act and the new reform in human resource strategy will enable the Government to bring forward over \$800 million of new money so that we can help people move from unemployment into the new job opportunities that will be present in Canada because of the great Budget of the Minister of Finance and everything that the Government has been doing.

Some Hon. Members: Hear, hear!

[Translation]

INCREASE IN UNEMPLOYMENT RATE—GOVERNMENT'S POSITION

Mr. Joseph Volpe (Eglington—Lawrence): Mr. Speaker, my question was about his funding sources. Obviously, the Minister did not understand the question.

In fact, his indignation proves that his policy and this Government's policy are going to create poverty. The Minister chooses to ignore the dismal reality, just as he chooses to ignore his responsibilities.

Mr. Speaker, I would like to know whether the Minister thinks it is fair, considering rising unemployment, that women, young people and the disadvantaged should be made to suffer for this Government's incompetence.

Hon. Jean Charest (Minister of State (Youth) and Minister of State (Fitness and Amateur Sport) and Deputy Leader of the Government in the House of Commons): Mr. Speaker, I suppose the Hon. Member for Eglington—Lawrence has the excuse of not having been in the House when, in the past, his own Party made predictions on the impact of the Budgets of the Minister of Finance.

Mr. Speaker, I was here, and I can give you the benefit of my experience. In 1985, when the Minister of Finance brought down his Budget, the Liberal Party's finance critic predicted that 100,000 jobs would be lost. On every Budget night, the New Democrats said that hundreds of thousands of jobs would be lost.

Mr. Speaker, since then 1,300,000 jobs have been created in Canada, and that is since this Government came to power.

Mr. Lorne Nystrom (Yorkton—Melville): Mr. Speaker, my question is directed to the Bay Street boy, the Minister of Finance.

I want him to answer a specific question in the House today, if that is at all possible. Back in October of 1988 in the election campaign the Minister said and I quote: "The bottom line is that the sales tax will not be used to raise the revenues of the Government of Canada. Mr. Blenkarn is not speaking for the Government of Canada, I am speaking for the Government of Canada".

What I want to know now is whether or not the Minister will admit in the House today that the national sales tax, the goods and service tax, will not be revenue-neutral, that the Chairman of the Finance Committee spoke the truth, and that the Minister is now in the process of breaking a commitment to the people of Canada.

Some Hon. Members: Hear, hear!

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, this is the third member of the New Democratic Party who has distorted what I said during the election campaign.

Mr. Broadbent: They are your words.

Mr. Wilson (Etobicoke Centre): The Leader of the New Democratic Party says that they are my words. If he would read my words in total then I would accept it, but he has not. He is selectively reading them so that it distorts what I said.

I will repeat what I said. We are going to bring in a new sales tax which will replace the old sales tax, which will allow us to reduce middle-income taxes, and which will allow us to eliminate the surtaxes.

I have said recently that because of the debt problem we are not going to be able to eliminate the surtaxes as quickly as we would like. The number of \$10 billion is taken totally out of context. The Leader of the New Democratic Party is saying, as is his finance critic, that that was \$10 billion in additional revenues—

Mr. Broadbent: No, we are not.