

Oral Questions

In an interview that we have referred to in this House this week the Minister of Finance was asked about the province's position on the goods and services tax and he said: "They have agreed. Behind closed doors, they will say you've got to go ahead with this, Mike; no question of that."

The minister has said federal studies show that the effect of the goods and services tax on nine of the provinces would be neutral to positive. The provinces, as the Deputy Prime Minister will know, released a report last night in which it is stated that the goods and services tax could cost the provinces in this country \$6.9 billion and result in the loss of 434,000 jobs between 1991 and 1993.

Will the government now at last make public its studies so that Canadians can determine exactly what the impact of the goods and services tax will be on them? In other words, let us find out who is telling the truth about the goods and services tax.

Hon. Gilles Loiselle (Minister of State (Finance)): Mr. Speaker, I would like to remind the hon. member that my colleague, the Minister of Finance, this morning described the analysis which was made yesterday as a ridiculous distortion of reality, and I stand by that. It is based on a study made by the Conference Board, and I would like to remind the hon. member that over the last few weeks the Conference Board has been all over the place.

A few weeks ago it said that the GST would probably result in a loss of 200,000 jobs. Then later it said: "Oops, we've made a mistake. It will not be 200,000 jobs. It will be 40,000 jobs." Now it comes back with a new number, so this analysis is flawed. I would like to inform the hon. member that we have made public this morning a document which will be very helpful to him.

[*Translation*]

Mr. Young (Gloucester): Mr. Speaker, the question still stands. To whom is the government listening in this debate on the GST? They now tell us the provinces don't understand. They say the Conference Board of Canada did not provide realistic figures, but it has been months since we first asked the Minister of Finance to produce the figures to justify his claim that only Alberta would be punished by the GST. My question is this: Considering that the House of Commons, the Canadian Labour

Congress, the Consumers Association of Canada and Canada's ten Premiers are opposed to the GST, to whom is the government listening in this debate on GST, if it disagrees with the data produced by all the intervenors I just mentioned?

Mr. Loiselle: The government has been extremely attentive to all the information it has received. When you say that Alberta will be punished—we never said that. All regions in Canada will benefit under this reform. I would advise the Hon. Member against taking at face value, positions that just before a conference or negotiations are probably used by the provinces as a bargaining stance. I may recall that every time this Government announced economic measures in its Budget, Members on the other side of the House have said they were a disaster. His leader said—

An Hon. Member: They should know about disasters! That's what it was like for 20 years!

Mr. Loiselle: —when we brought down our 1985 Budget: "Your Budget, this \$4 billion cutback, will put between 125,000 and 150,000 Canadians out of work". Mr. Speaker, this Government created jobs in 1985, and in fact, since 1984 it has created 1.5 million jobs, and we intend to keep up the good work.

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• (1120)

[*English*]

VIA RAIL

Mr. Douglas Young (Gloucester): Mr. Speaker, in view of the fact that we cannot seem to get any clarification on the confusion around the goods and services tax, maybe because we have the support of a considerable number of Conservative members on this issue, the Minister of Transport might be able to address this question that I would like to put to him.

We have heard mayors from all over Canada, representatives from the handicapped in Canada, and representatives of students and senior citizens discussing the cuts to VIA Rail. I wonder if the Minister of Transport would tell us today whether or not he is prepared to accept the recommendation of the Standing Committee on Transport which includes a majority number of members from his own political party?