

Adjournment Debate

that Canadians protest the GST, the more money the government is pumping into advertising.

Let us also remember what happened with advertising around that free trade agreement. Even though we do not know all the details yet, because the information is not being made available to us, we know that the recent election victory of the Prime Minister was secured by a massive \$2.1 million advertising campaign paid for by North America's big business. We know that that advertising blitz was instrumental in gaining support for a deal that otherwise would not have been supported by Canadians in their hearts, or at the polls.

• (1815)

But who paid for that advertising and what was its purpose? We are now finding out that advertising was paid for by Canadian subsidiaries of giant U.S. corporations, and by some Canadian companies which have since demonstrated very little interest in the well-being of the Canadian economy as they move their operations south of the border. The advertising dollars were invested so that these companies could exploit the Canadian market-place or make deals which were in their interests, in the interests of the American corporations, and not the Canadian people.

The government is selling out the Canadian people, selling us out against our instincts by using advertising and propaganda instead of facts. It is a public relations game that the government is engaged in and it has to stop.

The GST is only the latest example, but it is perhaps the best example. Take the delivery process that we are watching, the delivery process that is in force now as we see the government try to implement the GST at 7 per cent instead of 9 per cent. Has the government backed down? No. It is just an example of the expensive plan to convince us that we have to accept something that is bad for us and bad for Canada. It is all a part of this public relations game.

The GST was a bad tax at 9 per cent. Everyone said that before the finance committee and the government accepted that it was a bad tax at 9 per cent. So what makes it any better at 7 per cent? We know it is a push button tax and within one year of its introduction the government will push that button and the 7 per cent will

be a 9 per cent tax. That 9 per cent tax which was bad in the first place will be back and we are supposed to be benefiting from it.

What will we have gained? We as Canadians, as taxpayers, as farmers, as business people, as wage earners or pensioners will have gained nothing from this tax. No amount of government advertising will prove otherwise. So we are well advised not to trust the Minister of Finance, the person whom I now call the minister of propaganda.

Mrs. Lise Bourgault (Parliamentary Secretary to Minister of National Health and Welfare): Madam Speaker, on September 12, 1989, in response to a request under the Access to Information Act, the Minister of Finance described the mandate and operation of the goods and services tax communications working group.

With respect to operations, Treasury Board has approved a budget of \$5.138 million for fiscal year 1989-90 and \$2.523 million for 1990-91. These figures include expenditures for salaries, travel, supplies, materials and so on.

When salaries are excluded, the working group's operating budget is about \$4.6 million for fiscal year 1989-90, and \$2 million for 1990-91. In other words, the project total is \$6.6 million—precisely the amount specified in the minister's response to the access to information request.

As the hon. member will note, there is no advertising component in this figure. A separate budget of about \$4.5 million has been established for such items as advertising the GST 1-800 hotline and publishing public information inserts in newspapers.

The advertising budget was not included in the minister's response because information for the access to information request was based on expenditures up to and including August 8, 1989, the date on which the GST technical paper was released. The 1-800 hotline was started on August 9 and the two-page public information insert only began appearing on August 26.

Recently, the advertising budget has been increased through supplementals by \$760,000 for fiscal year 1989-90. This reflects the increased demand by Canadians for information on the GST as evidenced by hotline requests.