

*Government Orders*

high school and then do not obtain what they consider a decent job or one they would like to have, it is important to emphasize that point and ensure that young people throughout Canada, as well as people who need health care, have these services at the same cost throughout Canada.

I think that Bill C-60 respects these important basic criteria which give a preferred status to education and health throughout Canada, be it in Newfoundland, British Columbia or Quebec.

Mr. Speaker, allow me to point out that the minister responsible for this bill, the Hon. John McDermid, is in the House. I would be prepared to give him some of my time so that he too can express his point of view on this important bill. I know that he is prepared to talk about it.

So, Mr. Speaker, I will conclude with that and leave some time for my colleague, the minister.

[English]

**The Acting Speaker (Mr. Paproski):** Is it my understanding that you are splitting your 40 minutes?

**Mr. McDermid:** Mr. Speaker, I believe we need the permission of the House to do that. If I could just make a few concluding comments. The parliamentary secretary presented the case very well. There are just a couple of points that I would like to make, but it does need unanimous consent of the House and I would ask for that.

**The Acting Speaker (Mr. Paproski):** I was just going to do that, thank you very much.

Is there unanimous consent to allow the Minister of State for Finance a few minutes to complete the statement?

**Some hon. members:** Agreed.

**Mr. Gauthier:** Mr. Speaker, we have no objection on this side, but we would like to have some notice of that from now on so that we can get some previous notice from the ministers as to who is going to be splitting what time.

**The Acting Speaker (Mr. Paproski):** That is fine. I am sure that is agreeable. The hon. Minister of State for Finance can complete his statement.

**Hon. John McDermid (Minister of State (Finance and Privatization)):** Mr. Speaker, I want to thank my colleagues in the House for that kindness.

As the parliamentary secretary so ably pointed out this morning, this bill, Bill C-60, amends the Federal-Provincial Fiscal Arrangements Act, the Federal Post-Secondary Education and Health Contributions Act, and makes a number of minor changes within the acts that I have just mentioned to try and improve the simplicity of the tax system.

We are, of course, talking about some additional moneys that have been given to provinces in the equalization program, which is the cornerstone of Canadian fiscal federalism. This renewal is a result of about 20 months of consultation with the provinces. The provinces were extremely pleased with the results of the consultation as was expressed at the finance ministers' meeting that was held in Quebec City not too long ago. This bill will also allow the federal and provincial governments to mutually administer and enforce each other's taxes. That will allow us to simplify the tax system somewhat. If we have heard anything from business, from the consumer and so on, it is to please simplify the tax system. So this will simplify the payment of taxes for the taxpayers and for governments.

I think it is very important at this particular time where provincial governments are working in co-operation with the federal government in some instances, and I think others will follow suit, in collecting provincial sales taxes at the border.

These are not new taxes. I want to make that very clear. The provinces are owed these taxes as people purchase products on the other side of the border and bring them back into Canada. Over and above the exemption they must pay their federal sales tax, they must pay their provincial sales tax.

To date, the federal government has not been collecting the provincial sales taxes. We have now started with the province of Quebec because it has harmonized its system or will be harmonizing its system with the goods and services tax. Other provinces are very close to making a decision. Other provinces are looking into it in some detail now as to harmonizing their tax system with the federal goods and services tax system, especially in the goods area.