

*Oral Questions*

Minister of Labour responsible for the Human Rights Commission Personnel Administration of the Government of Alberta.

**Some Hon. Members:** Hear, hear!

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**NATIONAL REVENUE****NEW SALES TAX—EFFECT ON PROVINCES**

**Mr. George S. Baker (Gander—Grand Falls):** Mr. Speaker, the new sales tax announced in the Budget, to be brought in at the end of next year, is perhaps the most unfair and unequal tax ever foisted on Canadians.

In Alberta it will mean a new 9 per cent retail sales tax. In British Columbia it means a 9.5 per cent increase, in Ontario a 9.7 per cent increase, in Prince Edward Island and the Maritimes a 9.9 per cent increase and in Newfoundland an increase of over 10 per cent. It is called double dipping.

If the Government is going to bring in this unfair tax, then will the Minister now say that the Government will adjust it so that it is equal in every province in Canada? The Minister asks us to deal with the deficit, but surely Canadians deserve a fair deal. This is a double deal.

**Hon. Michael Wilson (Minister of Finance):** Mr. Speaker, possibly the Hon. Member might slip into the empty seat next to his finance critic and ask him why he supports the very actions that we are taking in introducing a new sales tax.

**Some Hon. Members:** Hear, hear!

**Mr. Wilson (Etobicoke Centre):** If I understood the convoluted nature of his question, the Hon. Member just said that he wants us to have a federal sales tax which is different in different provinces.

**Some Hon. Members:** No.

**Mr. Wilson (Etobicoke Centre):** That is one rate in one province and another rate in another province. I do not know where he finds the fairness in that. Surely if that is what he is proposing, the provinces will be up in arms at the unfairness of that sort of approach.

**Mr. Baker:** Mr. Speaker, the Minister is not only good at double dealing, he is a master of double talk.

**REFUNDABLE SALES TAX CREDIT**

**Mr. George S. Baker (Gander—Grand Falls):** Mr. Speaker, the Minister knows that every province in Canada has a different retail sales tax. The Government has no right to impose a new tax on all goods and services in such a way that there will be a different increase in different provinces in Canada. Heaven help you if you are in Newfoundland. It is an increase of over 10 per cent. We will be paying over 22 per cent retail sales tax.

I want to ask the Minister about his cash advance rebate of this tax. Will Canadians who live the furthest away from the manufacturing plants in Canada receive a higher advance tax rebate before the end of next year because of where they live, or will the rebate be the same no matter where one lives in Canada?

This rebate is only tax bait, and Canadians are not going to swallow it.

• (1440)

**Hon. Michael Wilson (Minister of Finance):** Mr. Speaker, I still cannot get it through my head—

**Some Hon. Members:** Oh, oh!

**Mr. Wilson (Etobicoke Centre):**—how the Hon. Member is suggesting that some provinces should have a federal sales tax which is different from another province. Surely, the Hon. Member understands that the retail sales taxes to which he just referred are applied by the provinces, not by the federal Government. If we are to be fair we should have the same rate across the country. That is fairness.

The other element of fairness to which the Hon. Member alluded is the refundable sales tax credit. It is a major step forward. I want to refer the Hon. Member to page 22 of the book entitled *Goods and Services Tax*.

**Mr. Crosbie:** He doesn't read.

**Mr. Wilson (Etobicoke Centre):** I do not think I should repeat that, Mr. Speaker.

It sets out very clearly that the new system will be much more fair. It will be a progressive tax system that will help the people in his province—