

Oral Questions

I therefore ask the minister who is telling the truth? He who stated that the amount to be allocated has already been set, or the Minister of Finance who stated that there is no such commitment? Who is telling the truth about this?

Hon. Benoît Bouchard (Minister of Industry, Science and Technology): Mr. Speaker, I note that the Leader of the Opposition is reading his questions, but that he does not read the replies he gets to his questions.

An Hon. Member: There has been no reply!

Mr. Bouchard (Lac-Saint-Jean): If the Leader of the Opposition will only refer to the reply given by the Minister of Finance, he will see that the Minister stated first that a portion of this year's budgetary reserves will be allocated to the action plan and that it is large enough to allow us by next fall to submit to the Canadian people a five-year plan which will be the first of its kind in the history of Canada by its scope and global nature. Moreover, the minister added that he wanted to maintain some flexibility in the funds already allocated, so that the consultation may be truly meaningful, and I hope that, if Canadians participate fully in this consultation, we will be able then, if necessary, to adjust the resources already allocated on the basis of the newly expressed needs.

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GOODS AND SERVICES TAX

Mr. Douglas Young (Gloucester): Mr. Speaker, my question is directed to the Minister of Finance. The government has always claimed that one of the benefits of the GST would be its visibility. Now, could the Minister of Finance admit today that there is no clause in Bill C-62 that would compel a retailer to provide a receipt or a bill indicating clearly that the consumer had truly paid the 7 per cent goods and services tax on the item or service purchased?

[English]

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, our position on this is quite clear. The proposal that we have put forward is that the retailer should include the tax in the price on the shelf, on the tag on the jacket, or whatever, but at the checkout counter when the money is paid, the amount should be broken down as between the GST paid and the price of the article being purchased.

We have also made provision so that the cost of point of sale equipment, cash registers, things like this, will be reduced by 20 per cent in its after-tax value to encourage retailers to put themselves in a position where they can comply with that type of proposal.

I also ask the hon. member to consider this: The essence of the amendments that he has made to the bill is to scrap the bill.

Some Hon. Members: Hear, hear!

Mr. Wilson (Etobicoke Centre): What does that do? That gets us right back to a tax which today is totally invisible. The hon. member does not know, and no one can tell from the price of a product, how much the tax is on any particular product, but there is tax on everything that we buy today. The clear position of the hon. member's party is to go back to a totally hidden tax, quite contrary to the position that he is fostering right now.

Mr. Douglas Young (Gloucester): Mr. Speaker, I have a supplementary for the minister. Major suppliers of cash registers and point of sale equipment have made it very clear that the proposal put forward by the government is going to cause a chaotic situation for retailers as well as consumers in Canada.

In view of the fact that people who know small business best were still saying as late as last night that this is going to be an administrative nightmare, will the minister not recognize that the government's proposal is in fact going to create an administrative nightmare for small business and consumers in Canada?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I do not accept that. I do accept the fact that there will be some increased compliance burden on the part of small business, that there will be some adjustments to be made as they understand the nature of the tax and how it affects the cost of their purchases and the pricing of their products. Once they achieve an understanding of this, the operation of the tax is simple to comply with.

I would also encourage the hon. member to reflect on what he said in his first question and to ask himself as well as his leader why the Liberal party is advocating a return to a tax that is so deeply hidden that no one in this country knows the amount of federal sales tax they are paying in the price of any product today. Why does the Liberal party want a hidden tax? Why do they want to return to that and try to fool Canadians that there is no