

Oral Questions

he will table these regulations, considering that the consultations have already taken place? What is holding him up? Who is he afraid of?

Hon. Robert de Cotret (President of the Treasury Board): Mr. Speaker, certainly not the opposition.

It is very simple, the regulations will be completed as soon as the process set out in Bill C-72 is fully completed.

Mr. Allmand: It is already 20 months.

Mr. de Cotret: We have wasted no efforts to complete that process. That process is still on-going. We are following the law, which may be a strange concept to some people opposite. We are following Bill C-72 and we will table the regulations as soon as the process is completed.

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TAXATION

Mr. Douglas Young (Gloucester): Mr. Speaker, last week the Minister of Finance told Canadians that they were not legally required to repay old age pension funds and family allowance funds because the clawback scheme that the government has put forward has still not been passed by Parliament.

Subsequently, the Department of National Revenue has stated that it will calculate what would be due and withhold refunds.

I would like to ask the Minister of Finance today who has it right? Are those people obliged to pay those amounts now or is the Department of National Revenue going to get its way and withhold the funds?

Hon. Otto Jelinek (Minister of National Revenue): Mr. Speaker, as with any budgetary provisions, obviously the taxpayer has the right to file a notice of objection at which time the payment would be assessed. When and if the provision becomes law and receives Royal Assent, then there has to be a re-assessment and the tax-back provision would come into effect.

The taxpayer has a choice. But as I stated yesterday, we urge Canadians to comply with the provisions that are stated in the Ways and Means motion in order to prevent the ensuing confusion that may take place at a later date. As of today and before Royal Assent is given, the taxpayer has the option to file a notice of objection or comply with the Ways and Means motion which is currently on the books.

GOODS AND SERVICES TAX

Mr. Douglas Young (Gloucester): Mr. Speaker, I have a question for the Minister of Finance. A number of people in Alberta, people generally, the premier, the treasurer of that province all oppose the goods and services tax because they are very much aware of what kind of havoc the GST will bring to Alberta. The Government of Alberta has produced a study showing that the impact on Albertans will be very, very serious.

Will the Minister of Finance admit to Albertans that, in fact, his goods and services tax is going to fuel inflation in that province as well as across the country, maintain high interest rates in Canada, and reduce consumer spending in Alberta and across the nation? Will he come clean with Albertans today?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I have come clean with Albertans. I have said precisely what our analysis shows the impact will be in the province of Alberta. Alberta will benefit from the replacement of the manufacturers' sales tax with the goods and services tax to a greater extent than any other province in the country: close to 3 per cent in terms of increased income.

I have made the point, as my hon. friend has heard me say, that Albertans today are paying \$685 for every man, woman and child through the manufacturers' sales tax. That has hardly changed as a result of the replacement of that tax with the goods and services tax.

It is very hard to understand the impact that the Alberta government says the GST will have on consumer spending. Where the impact will be felt will be because of the fact that Albertans are major exporters and that is where the GST will benefit their economy. Albertans will benefit because the cost of capital or the cost of a new oil well or a new pulp and paper plant will drop in price and also because the Alberta economy will benefit from opportunities to expand and diversify as a result of the combination of the federal sales tax being replaced by the goods and services tax and the free trade agreement.