

Oral Questions

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, the issue is whether the Prime Minister will have his way in spite of the universal opposition of the Canadian people to this tax.

• (1120)

I ask the Deputy Prime Minister if he thinks that this goods and services tax is the right thing for this country. Will he move immediately to have an elected Senate and see if Canadians will elect senators who support the GST?

[*Translation*]

Mr. Speaker, I am asking the Deputy Prime Minister whether, together with his government, he will amend the Constitution right away to make it possible for Canadians to elect a Senate which would support the GST. Clearly, the reply is no: No to the GST and no to this government!

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, for a very distinguished parliamentarian who has served the House of Commons with a very long and distinguished career, I am absolutely appalled and ashamed at the fact that he would surrender the supremacy of the House of Commons of Canada to the Senate.

An hon. member: That is what he suggests.

Mr. Mazankowski: That is exactly what he said. Now he suggests that maybe we should have an elected Senate. It is the first time I have heard that from him in his 30 years of being a parliamentarian, but it is worth while considering.

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GOODS AND SERVICES TAX

Mr. John Manley (Ottawa South): Mr. Speaker, my question is for the Minister of Finance.

Most Canadians believe that the only reason the minister is trying to ram his goods and services tax through Parliament before January 1, 1991, is because he hopes that Canadians will have forgotten their anger by the time of the next election.

Given that we have lost tens of thousands of jobs in the last year, given that we have tens of thousands of firms experiencing bankruptcy, given that the minister

himself has admitted that we are in a period of recession, will he please explain to the House why he insists on imposing this onerous and inflationary new tax on Canadians at a time when the economy is already badly battered?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, let me remind my colleague that on what we are debating in the other House, the reason why the Prime Minister took the actions that he took was not because of one bill that is being held up but because of Bill C-21, the unemployment insurance bill, Bill C-28, the income tax bill and the goods and services tax bill.

It is these bills that must be got through to maintain the fiscal integrity of this government. We are not going to allow the integrity of the government to be undermined by a man who was a minister of finance here and failed in that position.

Mr. John Manley (Ottawa South): Mr. Speaker, I think Canadians will find it ironic to hear a Minister of Finance who is no longer believed by the people of Canada and a government that is universally detested promoting a tax that is universally hated, pleading for democracy.

I would like the minister to speak about his tax, the GST. He has admitted that his budget figures were wrong last February. He admitted that he was wrong on inflation. He admitted he was wrong on interest rates, wrong on revenue and wrong on the deficit.

Will he not now admit that he is wrong to be asking Canadian households to pay an additional \$6 billion at a time when the economy is in a recession?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, the \$6 billion figure is a deliberate misrepresentation by the hon. member. That is not an accurate number, and he knows that is not true.

The hon. member has asked why we are pressing to get this legislation through. This legislation has been widely supported by international organizations which are saying that this is extremely important to getting the financial position of the Government of Canada in a stable position.

I have pointed out in a number of ways how it improves the stability of the fiscal position of the Government of Canada. It astounds me that this man is just right now criticizing the fact that our deficit is going to be up