

Government Orders

unfair. We got rid of it, and all Canadians including the people in the riding of Trois-Rivières would have loved to get rid of the old tax without putting a new one in its place. Mr. Speaker, I think that you are like everyone else—you do not like to pay tax. We are all the same. There is no problem. Yes, there is a problem. The problem is that in taking revenue away from the government, expenses stay the same. Although we have made cuts and managed well, there are expenses and the money has to come from somewhere. From the GST. To whom does this tax apply? That is where I do not understand the New Democrats. The GST applies to the rich. The rich pay it. If you have a low income, before spending anything on the GST, you receive a cheque from the federal government four times a year to ensure that you do not have to pay the GST.

It does not apply to basic food; it does not apply to housing; it does not apply to drugs. To what does it apply? It applies to yachts, and as far as I know, some people can afford to buy them. It applies to cars and even reduces the price of them. It applies to a host of goods and services that high-income people use. They spend on them and therefore pay the GST. Low-income people spend on their needs and receive their cheques. So this tax is fair because it applies to people who have money. When I hear my NDP colleague say that this tax is unfair, Mr. Speaker, I have a big problem with that.

• (1800)

Mr. Speaker, Bill C-21, now in second reading, is an Act relating to accounting for the servicing and reduction of the debt. Why do we have it, Mr. Speaker, and what is the purpose of this bill? We have to go back to 1984. In November of that year, Mr. Speaker, the finance minister at that time, the Hon. Michael Wilson, tabled a strategy, a plan for the economic renewal of the country. Since 1984, we have followed that plan for the progress of our economy and our country, Mr. Speaker, to make Canada a good place to live.

Indeed, Mr. Speaker, Canada is a good country to live in.

The Acting Speaker (Mr. DeBlois): The hon. member for Kingston and the Islands on a point of order.

Mr. Milliken: Mr. Speaker, during debate on a government bill, a minister must be in the House and I cannot see a single minister here, Mr. Speaker.

I am sorry to interrupt the hon. parliamentary secretary, but I am sure that he would want to see one of his colleagues from the Cabinet present in the House to listen to his good speech.

The Acting Speaker (Mr. DeBlois): The hon. Parliamentary Secretary to the Minister of Finance has the floor.

Mr. Vincent: Mr. Speaker, I take note of my colleague's comment and I hope he will do the same and stay here to listen to what I have to say.

Mr. Speaker, Canada is a country where we have an economy and social programs. In the Spring, I had the opportunity to travel to Turkey and also to Russia. It is during such travels that you realize how lucky we are to be living in Canada. It's important to say so. There are very few countries in the world which have, on the one hand, our wealth, and on the other, our economic system and moreover our social programs and everything else around it.

When you say social programs, Mr. Speaker, you see a country which provides a lot to its people and this means also a country which has commitments to meet. Despite these commitments we have tried since 1984 to put in place a tax system which would be fairer and more equitable for all Canadians. Take for example the changes we made, like the deduction for dependents, for children, and also the changes relating to the tax credits. It's in that area in particular that we made the tax system fairer and more equitable.

We also reduced income tax, Mr. Speaker, in 1988 when we introduced phase I of the tax reform. The second phase of that reform was the creation of the GST which was done this year.

What else did we do since 1984, Mr. Speaker? We reduced spending and God knows that everyone in this House, on this side in particular, is aware of it. We not only cut spending, but we put government spending under control and then, of course, there has been some tax increases.