

Chrétien and his Liberals could not do this in 1981, and obviously they cannot do it today.

I say there is no room for those Liberal undertakers of yesterday who are ready to bury Meech Lake and the future of Canada at the same time.

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## ORAL QUESTION PERIOD

[English]

### GOODS AND SERVICES TAX

**Right Hon. John N. Turner (Leader of the Opposition):** Mr. Speaker, I have a question for the Minister of Finance. I have now had an opportunity, as several Members of Parliament have, of reviewing some of the technical language in the legislation on the goods and services tax which the minister has produced in this House.

Luckily for the minister, most Canadians are not in a position to have read the legislation. According to pages 312 and 313 of the legislation, the situation is that seven-year-olds who want to set up a Kool-Aid stand on the corner will pay the goods and services tax—

**Some hon. Members:** Oh come on.

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

**Mr. Peterson:** Just keep laughing all the way to defeat in the polls.

• (1420)

**Mr. Turner (Vancouver Quadra):** Mr. Speaker, there is a lot of nervous twittering from the government benches.

The kid who wants to set up a Kool-Aid stand will pay 7 per cent goods and services tax on the Kool-Aid that he purchases from the corner store. A multi-millionaire who wants to serve his friends caviar at \$311 a pound will not have to pay a cent of tax under this legislation.

Could the minister explain how he could possibly have come up with such stupid legislation? Millionaires will not pay a cent on luxury gourmet foods but kids will have to pay 7 per cent on lemonade.

**Hon. Michael Wilson (Minister of Finance):** Mr. Speaker, I know the hon. Leader of the Opposition could

not see it, but there is a four-year old up the gallery who was yawning while he was asking the question.

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

**Mr. Wilson (Etobicoke Centre):** Mr. Speaker, he is not in my riding association.

The hon. member has pointed out a difficult area of borderline in the goods and services tax. We have acknowledged this. If the hon. member is suggesting that we tax food, let him say so. That is not the position of the government. It is not the position of this party. If it is a position of the Liberal Party of Canada, then say so.

**Right Hon. John N. Turner (Leader of the Opposition):** Mr. Speaker, this is a breach of the rules, but if I were sitting in the gallery and had to watch the Minister of Finance, I would be yawning too.

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

**Mr. Turner (Vancouver Quadra):** Nobody who is watching this House of Commons will be doing anything but laughing when we finish with this goods and services tax.

I do not know whether the minister has read the legislation, but how can he justify that under the goods and services tax a cookie is taxed, paté de foi is not taxed; pretzels are taxed, smoked salmon is not taxed; sherbet is taxed, filet mignon is not taxed; a grilled cheese sandwich is taxed, imported French Brie is not taxed; cold cuts are taxed, oysters are not?

I also want the minister to explain why, according to Schedule VI, Part III, section 1, subsection (m) of his legislation, muffins are taxed but English muffins are not taxed. Why does the minister not admit food is food, tax is tax. Withdraw this stupid legislation and take tax off food altogether.

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

**Hon. Michael Wilson (Minister of Finance):** Mr. Speaker, I do not know whether the right hon. Leader of the Opposition was reading from the most recent menu at Winston's, but I presume he is going there more frequently now.

The right hon. Leader of the Opposition is pointing out what is a difficult area of the tax, the borderline between what is taxable and what is not taxable. We made a fundamental choice that we were not going to tax basic groceries. We said that in December 1987. Because of that, you have to decide what is taxable; processed