

Oral Questions

Why does the minister not listen and stop this tax before it is too late?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I have listened. The hon. member has mentioned two groups, single parents and senior citizens.

Both of those groups will be better off after the GST has come into place. Some 84 per cent of them will receive the goods and services tax credit, and 75 per cent will have more money in their pockets after the GST is in place than they did before.

Mr. Barrett: What a pile of b.s.!

Mr. Wilson (Etobicoke Centre): Mr. Speaker, I hear the howls from the other side of the House. They say they do not agree.

Mr. Barrett: You're unbelievable!

Mr. Wilson (Etobicoke Centre): These are not my numbers. These are numbers provided by the experts in the Department of Finance.

I have said on many occasions that if hon. members would like to dispute any of those numbers, show me where they dispute them. If not, stop misleading Canadians.

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TRADE

Mr. Francis G. LeBlanc (Cape Breton Highlands—Canso): Mr. Speaker, my question is for the Minister for International Trade and concerns one of our most important export industries, auto parts manufacturing.

I have a letter here from Versatech Industries of Weston, Ontario, producers of gaskets, plastic products and sealing products for the auto industry. The letter states:

Since August, 1989 we have been mercilessly harassed by U.S. customs at border crossings, sometimes having our truck seized and impounded.

The letter links this harassment to the introduction of the harmonized system which has clouded the issue of the free trade agreement implementation.

My question is this. When is the government going to get tough with the U.S. on border harassment, before Versatech is obliged to join other Canadian exporters and move to the U.S.?

Hon. John C. Crosbie (Minister for International Trade): Mr. Speaker, the hon. gentleman mentioned that the United States has adopted the harmonized tariff system and this has caused some problems as it has been implemented over the last year. I am glad that he did not repeat the mistakes that the Leader of the Opposition and other members often make. I was surprised he did not decry the free trade agreement when he brought this point up.

I am sure the hon. member realizes—he seems to have a higher intelligence level than most of his colleagues—that the auto parts and the automobile industry, of course, is dealt with under the Auto Pact and the free trade agreement has nothing to do with it. Nor does the harmonized tariff system have anything to do with it, as the harmonized system that the United States is implementing is a general system. Wherever there are problems, we are prepared to help the companies who are involved and do all we can to assist and make sure that they are worked out. But these are matters that have to be worked at in co-operation with the U.S. when we have these kinds of problems at the border, or when they have problems with us.

• (1140)

Mr. Francis G. LeBlanc (Cape Breton Highlands—Canso): Mr. Speaker, I thank the minister for his compliment but I do not think any more of the free trade agreement than my colleagues.

My supplementary question is directed to the same minister. Before the election the government promised that the free trade deal would guarantee Canadian exporters secure access to the U.S. market. Why, now, are firms like Versatech facing this harassment? Will the minister admit that his government sold out the auto parts industry with his trade deal, just like it sold out the Canadian farmer and the fishing industry in Atlantic Canada?

Hon. John C. Crosbie (Minister for International Trade): Mr. Speaker, just when I was starting to think that this hon. gentleman was a little more intelligent than his colleagues, he referred to the auto parts industry again, and said that the free trade agreement had something to do with it. Of course, it does not.

We have had free trade in auto parts and automobiles with the United States since the early 1960's under the Auto Pact. That has not changed. I recommend that the hon. gentleman look at the report by the Institute for Policy Analysis at the University of Toronto. A group of university research economists said that the Canadian economy is looking good in the 90's, thanks to free trade