

Oral Questions

man who was asked by the previous government, the Liberal government, to do a study on sales tax reform at the request of Mr. MacEachen and Mr. Lalonde who knew that the sales tax had to be changed.

He did refer to the technical paper that I released a month ago as "a virtuistic triumph, an extraordinary piece of work, a major contribution to Canadian tax policy". Now this gets to the point that the Hon. Member has raised. "We can only look at the existing sales tax and say it must go. It is a thorough bad tax and, in fact, the Minister of Finance is being far too moderate in his comments about it, in my view. It is a vicious tax, one that has no place in a democratic community and I am grateful that the glacier is finally beginning to move, that we are approaching an era of major sales tax reform."

That says it as eloquently as I can as to why this sales tax must go.

Mr. Turner (Vancouver Quadra): Mr. Speaker, any member of the House could quote from hundreds of briefs that are being amassed before the committee on finance chaired by the hon. member for Mississauga South which are unanimously against the tax that was just praised by the minister.

Some Hon. Members: Hear, hear!

[*Translation*]

THE PUBLICITY CAMPAIGN—GOVERNMENT POSITION

Right Hon. John N. Turner (Leader of the Opposition): Mr. Speaker, I can understand why the Prime Minister would rather stay quiet and keep some room to manoeuvre just in case he might have to get rid of his current Minister of Finance. Again my question is directed to the Prime Minister. His Government is wasting millions of dollar in a publicity campaign which it intends to pay for by imposing a national sales tax: A tax on learning, a tax on illness, a tax on child education, a tax on staples and a tax on death itself.

• (1420)

How can the Prime Minister justify such a spurious publicity campaign before the Canadian public?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, the Leader of the Opposition is concerned about the Minister of Finance's future. He wonders

whether I intend to fire my Minister of Finance. I can tell you that the only Minister of Finance ever to be fired in this House was the Liberal Party critic who was fired by his Leader because he was essentially in favour of the policies put forward by the Minister of Finance.

[*English*]

Mr. Turner (Vancouver Quadra): The Prime Minister takes the usual high road and we will try to follow his example.

Here is a Prime Minister who has raised the taxation 31 times since he was sworn into office. The total amount of personal income taxes collected by all 10 provincial governments plus the two territorial governments combined is less than the amount contemplated to be collected by the federal government under this new sales tax. It is the largest single tax grab in Canadian history, and the Prime Minister is trying to pretend to the Canadian people that it is really a tax cut.

Why does the Prime Minister not recognize that it is so flawed that it does not respond to his own criteria for fair taxation? Why does he not go back to the drawing board and begin all over again in a spirit that is fair to the people of Canada?

Mr. Mulroney: Mr. Speaker, just in case there is any doubt or mystery as to why the member for Etobicoke North, the finance critic, was fired by the Leader of the Opposition—

An Hon. Member: He quit.

Mr. Gauthier: You had seven or eight ministers who quit on you, too.

Mr. Mulroney: The member says that he quit. If he quit, or if he were fired, I can say in respect to the member for Etobicoke North that he is a great loss to the Liberal party because they need sane voices in matters of finance and taxation.

Some Hon. Members: Hear, hear!

Mr. Mulroney: Last year the position of the Liberal party was this, and I quote:

In short, a single-rate value-added tax on the broadest possible base is a desirable objective—in the context of the Canadian tax and social welfare system, it can be an important source of revenue without distorting economic decisions and with rather low administration and compliance cost.

That was their position last year. That is what the Minister of Finance is attempting to do. If they were