

*Income Tax Act, 1986*

**Mr. Tremblay (Lotbinière):** But we have a many-faceted economy and it is these measures as a whole that provide the country with the necessary confidence to attract investment, both domestic and foreign, that enable observers to realize that there is not only political stability, but people assuming their responsibilities.

Mr. Speaker, I am at a loss to understand the Hon. Member who rose before me and who dealt with priorities. That is exactly what Bill C-84 is concerned about. It was and is a priority for this Government to take steps to try and stop the widening of the gap between the poor and the affluent. The purpose of Bill C-84 is to close this gap which, because of the economic situation, had been widening. I can now say that over the one and a half year period since the election, the situation has been improving considerably, something the Opposition has been realizing slowly and quietly, as the Canadian people are finding out that the Government is achieving its mandate. The situation is improving. It is clear that Bill C-84 will eventually make it possible to reinstate the full indexation. That is our intention and we hope sincerely to attain this goal as soon as possible. However, first of all, we must take our responsibilities and this is precisely what we are doing through such measures in the hope that we can re-establish full indexation in the near future.

Mr. Speaker, I see that you want me to conclude. I am sorry about it, but if the flagrant attacks on such an essential piece of legislation continue, I shall use again my privileges as a Member of Parliament to say what must be said.

● (1550)

[English]

**Mr. Iain Angus (Thunder Bay-Atikokan):** Mr. Speaker, I would like to begin my comments by reminding the Hon. Member who just spoke that history has proven that Governments in this country are not elected but are defeated. He would be wise to consider that the next time he makes a comment in the House.

I would like to deal with the amendment that would restore full indexation to tax brackets and personal exemptions. It is important to reverse the proposal put by the Government, and the Government should give this serious consideration. Last spring, we saw the senior citizens of Canada rise up to tell the Government that it could not tamper with their incomes and that it must continue the indexation of the old age security benefits. This fall and into 1986, we have seen families from all across Canada doing the same thing. Today, as has happened almost every day for many, many weeks, Hon. Members from all Parties have risen in the House to present petitions calling on the Government to scrap its plans for the deindexation of the family allowance benefits.

The deindexation of tax brackets and personal exemptions is no different. This plan will ultimately hurt ordinary Canadians, the people who can least afford to have their incomes reduced in any way. With the deindexation program combined with the now climbing interest rates which will impact on the

ability of people to keep roofs over their heads, we can see very clearly the direction the Government is taking. It is a direction that is moving away from fairness and from the concerns of many of those people who voted for the Conservative Party. The Government is moving in the direction of support for the corporate sector and the big people.

I wonder why there is this increased need for funding for the Government. We hear rhetoric about the need to reduce the deficit, but actions speak louder than words. There have been billion-dollar bail-outs for the banks. There have been tax remissions to Syncrude that may amount to something like \$1 billion. Olympia & York may also be the beneficiary of tax breaks and perhaps even Genstar will be the beneficiary of such tax breaks. In the future, we will see more tax dollars going from the Government to the corporate sector. The only place the Government can get this money is from the wallets of ordinary Canadians.

The Government is out to squeeze as much from the people as possible. It is not doing this in an up-front way by saying that personal income taxes must be raised by 10 per cent. The Government is not being honest with Canadian people. It is going through the back door to pick pockets through a sleight-of-hand mathematical change that will reduce, over time, the amount Canadians will be able to deduct from income taxes payable.

Years ago, the ability of the electorate to recall the actions of Governments tended to be reasonably limited. However, with the modern communications technology that is now available and with the fact that there are thousands if not hundreds of thousands of Canadians watching us every day in action in the House of Commons, the electorate will remember the meanness involved in the attempt to deindex old age security benefits and the action to deindex family allowance benefits. The people of Canada will remember the decision made by the Conservative Government to reduce the ability of Canadians to have their deductions keep up with inflation. They will remember this when they go to the polls. Each Canadian will ask himself: "Can I afford another Conservative Government?" A great many Canadians will say: "No, my family and I cannot afford to have our incomes, our deductions and our lifestyles eroded by another Conservative Government," and they will search elsewhere.

I would ask the Government opposite to pay heed to this amendment and to consider its actions. I ask the Government to reverse its actions before it is too late.

[Translation]

**Mr. Michel Champagne (Champlain):** Mr. Speaker, I am happy to speak about motion No. 4 which concerns Section 65 of Bill C-84.

Mr. Speaker, I have trouble understanding why the two Opposition parties persist in letting such a Bill go forward, or rather in refusing that the bill go forward and in supporting this motion. Why, and I do not see many Members opposite, why do the two Opposition parties refuse to see the facts and