

*The Budget—Mr. Cullen*

Opposition Parties and some of our critics in the media. It was interesting to see how our old antagonist, Diane Cohen, could hardly wait to get her 60 seconds on CBC immediately after the Budget, without really having time to digest all of the documents during the time of the lock-up. We have come to accept that there are certain critics who will appear on television or write articles damning the Budget out of hand. Sure enough, Diane did not let us down this time. There she was, with all the froth that she could muster.

I have already indicated that we have been told we are not doing enough for the unemployed. I pointed out that \$3.5 billion directed at that particular target is certainly a significant figure and that the \$8 billion that is made available through the unemployment insurance fund is hardly ignoring the unemployed.

One of the greater incentives I have seen in this Budget is the gain-sharing for a stronger economy. I believe that members from both sides of the House have suggested from time to time that there should be more gain-sharing, where the person who is working on the floor or working in the plant can understand the requirements of a business in order for it to succeed. By putting them on the board of directors or being placed in this gain-sharing operation they will have a greater interest in the corporation for which they work.

Let me quote from a segment of the Throne Speech because I think labour and the Canadian public should be aware of this philosophy:

Labour has been and should continue to be a full partner in the process of economic recovery. Workers deserve a fair share of the recovery benefits and an equal voice in the resolution of issues like technological change and productivity improvement—greater productivity results from a combination of progressive management, ingenious technology and high employee morale. It is the main long-term guarantor of increased real wages for Canadians.

Employees, therefore, sharing in profit-participation plans is a splendid move and I approve of it. I hope that Mr. McDermott would some day bury his NDP bias and serve only one master. Presently he is trying to serve the NDP and the labour movement. He is not an ignorant man but a man with great talent. I suggest, with respect, that he concentrate on the labour movement and focus his talents and abilities on protecting his real constituency, the members of the Canadian Labour Congress and the workers he aspires to represent. He would be doing better. He must deal with Liberal governments from time to time, for which he has apparently little regard. While he has a little more regard for the Tories, he rather damns them with faint praise. I am not sure that I would want to be in that particular bailiwick.

In the section dealing with small business, the proposals for tax simplification will of itself relieve small business of a huge paper burden and I say we should pursue this because unnecessary paper work and record keeping hits at productivity.

The cumulative deduction account has been abolished. There is no question in anyone's mind that it was placed there initially to do a specific job, which was to prevent inappropriate use being made of the small business tax provisions. But I think, in the final analysis, that the Minister of Finance has

recognized that it was an inappropriate move and I credit him for removing it. I should point out that this is no small improvement because 300,000 small businesses will be relieved of this particular chore.

These and other proposed changes will allow the Government to reduce two-thirds of the existing legislation dealing specifically with the taxation of small business. It is the right move at the right time.

One of the areas that has been a constant irritant to senior citizens is the necessity to make quarterly payments because income tax is not being deducted at source. It is an irritant because our senior citizens are of a generation which paid their taxes and their debts. Not being aware of this particular requirement has found many of them having to pay not only interest but a penalty. To their chagrin and annoyance, this requirement is placed upon a generation of people who honoured contracts. It is a generation that I suspect has very little in the way of indebtedness today. The increase of the \$50 per month is the GIS was, of course, welcome news to everyone.

In the broader international field, the Aid-Trade Fund move is first-class. It is one area where we can combine aid to the Third World countries with the opportunity for Canadian businesses to become involved in worthwhile and yet revenue-producing operations.

● (1240)

The home owner protection plan is a realistic approach to the problems faced by people who may be met with prohibitive costs as a result of high interest rates occurring just when they are about to renew their mortgage. It will also help those who are securing or are about to buy their first home and place their first mortgage. It will give them some indication that they will be protected from any sudden increases in interest rates. It is appropriate in the circumstances and fortunately we are not faced with the prohibitive cost of the ill-fated but not lamented Tory plan.

Can you tell me how much time I have remaining, Mr. Speaker?

**The Acting Speaker (Mr. Guilbault):** You have until 12.47 p.m. to complete your remarks.

**Mr. Hnatyshyn:** He has seven more minutes.

**Mr. Cullen:** I thank my hon. colleague from Saskatoon West (Mr. Hnatyshyn). He is quick off the mark with those figures. It is the only way I can count that high!

As a former Minister of Revenue I know that the vast majority of people in that Department are proud of the work they do, and are capable and conscientious. Given the fact that the Department is dealing with some 16 million taxpayers and accordingly has to have a large number of employees to do this particular work, mistakes are bound to be made and some overzealous approaches taken by individual members of the Department. But overall, this Department does a splendid job