

tonight in order to complete the second reading stage of the Bill.

Some Hon. Members: Agreed.

Some Hon. Members: No.

Some Hon. Members: Filibuster.

Mr. W. C. Scott (Victoria-Haliburton): Mr. Speaker, we have heard comments by the Hon. Member for Qu'Appelle-Moose Mountain (Mr. Hamilton), and I would like to comment, before I go any further, on one of the very striking points he made. He said, "Please put our legislation in a language that the layman can understand". I have heard this plea ever since I have been a Member of this House. It seems to me that when the Government drafts a Bill, the more it can confuse the people of the land, the happier it is. The Government does not want the people to know what is in the Bill or to understand it. Nobody can argue that. Consider the metric system. There was no better way to inflate prices and confuse people than through the implementation of the metric system.

● (1740)

When Bill C-139 first came before the House I contacted a group of chartered accountants in my constituency, well before Christmas. I asked them what their opinion of this Bill was. They said it was very confusing and was discrimination against the small businessman and the small farmer because it forced them to hire chartered accountants that specialized in their field to make out their forms. They no longer could cope with this at home around the kitchen table. This does not just apply to the small businessman and to the farmer; this applies to the rank and file.

The new rules, they said, would require them to re-evaluate the structure of their business and probably re-organize, and that such a re-organization would be too costly for the small income businesses which would have to absorb any additional costs of the new set-up. They said that intermediate and larger companies would be forced to evaluate the cost value of re-organization before the end of the year, and the question was whether or not the cost of a re-organization would be offset by the benefits reaped by adjusting to the new laws. They said that big businesses that could readily absorb accountants' charges for finding loopholes in the new legislation are the only ones which easily benefit from this Bill and, again, this Government has discriminated against the farmer, the small businessman, and the labourers in our society.

On a point by point basis, these are some of the comments that this firm of chartered accountants made to me. On the use of employer's automobile and imputed interest benefits, they said:

Computation of these benefits will be more time consuming and therefore compliance becomes more expensive from an information return preparer's point of view.

Shortly after Christmas, I received a letter from a constituent who had been forced to close his business for the reasons that:

Income Tax

A small business or farmer who is paying 14 to 16 per cent interest for inventory or equipment capital cannot be competitive with larger organizations.

He said that a small business or farmer does not have the high volume turnover to enable him to pay for these costs, coupled with the high interest rates of 14 to 16 per cent, which he is paying.

He also said that:

A small business or farmer is a self-employed individual and cannot support through his own labour a 14 to 16 per cent interest rate.

He cannot support this interest rate, plus the cost of the bookkeeping involved.

Concerning the reason why Government laws and policies cause small businesses to fail or close their doors, the reason given was:

A small business does not have the resources to comply with every Government law and/or policy which can amount to as many as 20 separate agencies or departments.

A small business or farmer does not have the time or capabilities to keep abreast of new, changed or violations of all Government laws and/or policies.

A small business or farmer does not have the impact to alter or formulate Government laws and/or policies that may upset or jeopardize their future.

As to the reason why the economic and competitive forces have reduced the ability of the small business or farmer to survive, he said:

Big business and big Government limits the choice of self direction.

Big business and big Government thwarts the small business and farmer from maintaining a competitive pricing policy.

Big business and big Government create laws and policies that control the initiative and ingenuity of small businesses and farmers.

Big business and big Government tax the small business and farmer beyond their will to survive.

In conclusion, he recommended:

I have devoted a lot of time to putting these thoughts on paper. They reflect not just our situation but many others across the length and breadth of this country. Any advice or help that you can give to assist us in our financial hardship would be most appreciated.

I ask the Minister of Finance (Mr. Lalonde), what can I tell that gentleman? Telling him that he is but one of many in the same situation will not solve his problem. How can I say that it is not the Government's intention to regulate or to tax the small-businessmen out of business when Bill C-139, which increases the regulations and the taxes imposed is being discussed? How can I tell a farmer that Bill C-139 will not hurt him when the Bill limits the payment period of capital gains tax to five years if the property is sold outside the family, and ten years if it is sold or transferred to the children? He will have to pay taxes on money not yet received.

The point made by this constituent's letter is quite clear. Recovery in this country will not take place until this Government realizes that it must get off the backs of the small businesses, farmers and the private sector in general. The Canadian Federation of Independent Businessmen has been co-operating constructively with the Minister of Finance in an attempt to make him realize this. This Bill is a backward step in this process. I urge the Government to reconsider.