

The minister gives no explanation why business is being totally undermined by this government and this budget. Investment is what would create the jobs we need so desperately in this country today. There is no secret in this. It has been proven time and again that job creation is directly linked to investment of funds by individuals and companies, and that when the investment process is undermined by government tax policies which destroy the confidence of the individuals making the investment decisions, all those people who are looking for jobs are affected. Investment is what we need in this country today.

**Some hon. Members:** Hear, hear!

**Mr. Wilson:** In this budget the minister has compounded the human misery of one million Canadians. The policies that he has brought in display a total lack of understanding of the problems of the economy. They illustrate his inflexibility—and I repeat that word for his edification, Mr. Speaker. He did not show any flexibility on December 18. He was forced to make those changes or he would have brought a greater disaster upon this country than has been brought upon it already.

**Mr. Peterson:** Oh, oh!

**Mr. Wilson:** The hon. member for Willowdale (Mr. Peterson) knows that as well. Many of his friends have been making those representations to him and are still making them to him.

**Mr. Peterson:** Oh, oh!

**Mr. Wilson:** This is a little light interlude from the hon. member for Willowdale.

The inflexibility of the minister in not considering other alternatives displays a total insensibility to those who have been hurt so badly by his policies.

Investment and stability, and I have said before, lead to more jobs. High taxation and lack of confidence lead to fewer jobs. That is the nature of the economy we are living with today. That is the nature of the economy so seriously affected by the budget of November 12.

This budget is far worse than simply a misguided economic policy. It is more than a tax grab on many, many Canadians. No one in this House and no one in the country has any quarrel with equity in the tax system. People say that is a good thing and that we should have it. As a result of the budget many worth-while social and economic policies have been undermined. These are not policies which we hold exclusively in the Conservative Party. These are policies and objectives which are sought by Canadians represented by all parties in the House. This is why there has been such a wholesale condemnation of the budget.

● (1640)

I should like to review, for the benefit of the minister and also for the benefit of backbenchers, some of the broad social objectives which have been undermined by the budget, because I think this might be helpful in their caucus tomorrow. All

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Canadians are concerned that pensioners should enjoy a comfortable retirement, free from worry and as self-reliant as possible. But the budget taxes individual pensioners—and we heard this from the Consumers' Association of Canada—in seven different areas. Let me refer to one example of the ridiculous nature of these changes. A pensioner who earns a little extra money because his pension is not sufficient to finance his needs today will now lose his \$1,000 deduction. The reason for this is that the department and the minister were going after an exclusive group of Canadians who happen to have indexed pensions, who retired at age 55 and are earning money as consultants to the government. That is the direction the budget has taken. Instead of just going exclusively after that group, they have drawn in all pensioners who are earning a little extra money. It is taking an elephant gun to shoot a mosquito. The minister should have the expertise and the sensitivity to work differently than that.

There are many other parts of the budget which affect pensioners in the same ill-conceived fashion. Many people told us that there was some abuse, but that the abuse could be caught if the government knew what it was doing. Let me leave the minister with a comment made by a group which we met in Halifax called "Canadian Pensioners Concerned". They said that these financial shocks to pensioners will lead to ill health and earlier death; the minister should recognize this. Also he should be encouraging people to save for their retirement. That is the Canadian tradition; we have always been good savers. We want to develop the maximum degree of self-reliance among pensioners and the least reliance upon the government, but the budget taxes life insurance and makes loan interest to purchase RRSPs not deductible any longer. The average loan is a little over \$2,000. Is that a rich person's loan to buy an RRSP for one year? No, it is not. This loan is taken out by a number of low and middle-income Canadians who do not have the ready cash to put into RRSPs. Deferred profit-sharing plans have been ruled out for many small businesses. Farmers who had looked forward to the use of income-averaging annuities as their means of retirement income have lost an important element of their future financial planning. The result will be that more people will be relying upon the government for support in future years.

We heard in Kitchener that the thrust of the budget penalizes those people who save and prepare for the future. We heard from another group in Kitchener that there was no link between the minister's statements at the pension conference a few months ago and the budget. In short, they said that the budget undermined the basic Canadian tradition of saving for the future. In this area of financial planning for the future, people preparing for retirement, there are abuses, but those abuses can be dealt with without killing the tradition of Canadians to save.

**Mr. Peterson:** We have done that.

**Mr. Wilson:** We heard from both management and labour about the entire area of encouragement to Canadians to look after their dental and health care by participating in dental