

*Income Tax*

long shot, is harmed. The Government harms the little people. It does the big people the big favours.

With respect to capital gains reserves, it harms the little people again. The man who wants to sell his summer resort, unless he can get himself conventional financing usually has to take back the paper on that resort himself. Yet he has to bring into income, as if it was all cash, the gain on capital made from this sale with respect to lands and buildings within a five-year period and within a three-year period with respect to the inventory and goodwill. To expect a person who has not received the money to pay the tax is wrong. It is harmful to the economy of the country and is anti-savings and anti-entrepreneurial.

I see my time is almost up. I would have liked to be able to carry on the debate with respect to soft costs, where a manufacturer who wants to increase the size of his plant, to put an addition on his building, must capitalize all of the interest and account for all of the interest on borrowed money during the course of that plant expansion, and he must add that interest and architects' fees, and the like, to his capital cost. We can increase his expenses for creating that addition to his plant by 20 per cent and 25 per cent quite easily that way. That is, apparently, fairness. That is the way we want to build a country.

That type of erosion, as has been pointed out, is in this Bill, and it has been pointed out by many people. Yet this Government refuses to listen. There is no reason for that refusal to listen if it wanted to help Canada grow. And while our airlines are losing money, we have a special tax on aviation fuel applicable only to our airlines. We have a special tax to make it more difficult for our steel companies to process iron ore.

I could go on and on, sir. This Bill should have received further and fuller consideration. Most of the Sections in this Bill are wrong. They are anti-entrepreneurial. They are anti-Canada. I say to you, sir, that the people of Canada will be the judge in that great court case of which my friend talked. The people of Canada will be offered a taxation system which will have some decency, some simplicity, which will be readable and which will abolish almost every one of the changes in Bill C-139. We make that pledge to the people of Canada today.

**The Acting Speaker (Mr. Blaker):** Questions, answers, comments.

● (1150)

**Mr. Cosgrove:** When this Bill was brought into the Committee of the Whole for Clause by Clause examination, Mr. Speaker, I indicated at the outset that it was the Government's intention to add to the category of doctors, dentists, lawyers, accountants, veterinarians and chiropractors the category of notaries public so that that profession would also be exempt from the rules governing the taxation of work in progress.

The Hon. Member for Mississauga South (Mr. Blenkarn), representing, I take it, the Official Opposition, refused to permit the introduction of the amendment at that time. Subsequently, on four different occasions which are recorded

in *Hansard*, two of them on the last day on which the Committee deliberated, I again specifically requested the consent of the Hon. Member to introduce an amendment to include notaries in the exemption, but again was refused.

Following the Hon. Member's comments this morning, I should like to ask him what happened in the interval between the Committee hearings and today. What has changed the view of the Official Opposition so that it is now in favour of the amendment? Does it have anything to do with the fact that it is involved in a leadership campaign and is attempting to enlarge support across the public among the category of notaries? Is that why it is supporting the Government's proposed amendment?

**Mr. Blenkarn:** Mr. Speaker, you have never heard such a stupid and ridiculous question as that. If the Minister would pay attention he would realize that the Hon. Member for Joliette (Mr. La Salle) and I raised the question of notaries in December, 1982 and that has been confirmed by the Minister of Finance (Mr. Lalonde).

The Minister should also know that on three occasions while we were dealing with Clauses 3 and 16, I specifically pointed out the problem to him. He was so interested in keeping his ears shut and getting the Bill through that he refused to listen to any amendment, any suggestion or any alteration to the Bill.

The next day we advised his boss. Having read the Bill, his boss took him behind the curtain and thrashed him. Then he came pleading across the floor of the House and asked us to let him put it in. I said that we would look at it when we got to Clause 125. He was so interested in closing the House of Commons down that we never got to Clause 125, Mr. Speaker.

Next he asked me in the House if we would allow it to be dealt with after closure had been imposed. I said that if he wanted to open the Bill and drop closure we could deal with his amendment, but that if we were having closure that move would be improper and we would allow Parliament to deal with it.

The Minister was delighted. He thought the only House of Parliament was this House. He forgot there is another House, the red chamber at the other end of this building. The other night I said to him, and I say it again now, that the amendments will be introduced by this Party in Parliament—in the Senate of Canada, and his Party can vote for them there or not vote for them there.

**Mr. Vic Althouse (Humboldt-Lake Centre):** Mr. Speaker, it is with no great pleasure that I rise to discuss this Bill today. So far it has not been handled in a way that could please anyone. The use of closure at Committee of the Whole stage has made it impossible to effect the kinds of amendments and changes that the Bill needs. We had prepared a great number of amendments in an attempt to improve the Bill or make it more acceptable. Since we went through Clause by Clause consideration in Committee of the Whole as is the custom, we never got to any of the Clauses that we proposed to improve or amend.