

*Income Tax Act*

small business, through the lack of ability to get that agreement, will start to lose the benefit of the \$750,000 accumulative allowance? There is a definite problem here, and I hope I am explaining it properly.

**Mr. Chrétien:** Mr. Chairman, I think that when the shareholders cannot agree, this represents a problem that they must work out among themselves. We cannot intervene at that level of their operations. There are rules and they know the rules. If there is a need for them to agree, then they have to agree. Of course, sometimes when there is a need for agreement like that, one shareholder can use that in order to bargain something for himself. That is always a possibility in what we call free enterprise.

**Mr. Huntington:** Mr. Chairman, in his answer the minister has explained quite capably the point I was trying to make. This amendment adds an unbelievable depth of complication to an already complicated measure. For some reason or other the minister seems to think people in small business have unlimited resources of earnings and funds with which to hire the best accountants and lawyers in the land in order to understand this legislation. I suggest that further amendments are needed on this point, and that probably when the next budget is brought forward, no matter which party is in government, it will have to contain such amendments.

I also suggest that the Minister of Finance will have to contact his colleague, the Minister of National Revenue, in order to conduct an extensive advertising campaign, because the people in the small business community will definitely not understand the rules being created by this amendment, in spite of the fact that the minister is plugging a loophole, and fully understand the necessity. I suggest it is for this reason that closure in respect of the previous budget measures and those of this budget does a great disservice to the people of Canada. Because of the limited time, we are leaving unsolved those things in respect of which some of us perhaps might have input and might help to resolve.

Right now the minister is closing the loophole, and I understand the need for that, but he is leaving open wide areas of confusion which require further explanation. These are areas which small businesses, particularly in terms of cost, are not going to be able to understand. This is one of the reasons I speak with some impatience about time allocation in respect of this debate.

**Mr. Chrétien:** The hon. member is making a point with which I agree. I did not have to adopt a time allocation only for my own pleasure. If hon. members on the other side had agreed with this hon. member that there were some very important clauses to be dealt with in this bill they would not perhaps have taken fifteen, sixteen, or seventeen days at second reading, allowing only a few days for study in the committee. This is a problem we are now faced with, as a result. We do not have unlimited time in this House of Commons in which to pass legislation. Because it suited the political purposes of some hon. members to drag this bill out in

[Mr. Huntington.]

time, we are now faced with this problem of proceeding on a time allocation. This is not a problem of my creation.

If opposition members had agreed to two or three days debate on second reading, as is normal, we might have used the rest of the time on a clause by clause study. What frustrates me in this regard is the fact that this hon. member is one of a number of members who look at problems with the idea of finding solutions, and some of the things that he has suggested make a lot of sense. I do not have time for prolonged consideration now because I spent all my time listening to speeches at the second reading stage.

I agree with the hon. member that this is a complicated clause and is difficult to understand, but I am quite satisfied it will not create the type of problem for small businesses to which the hon. member has referred. Most small businesses are not associated with holding companies and are not trying to take advantage of this measure. I think that applies to the great majority. What we are doing here is making sure there are not big buys with holding companies who are trying to get the favourable tax rate which applies to the small business. That is the only purpose of this amendment. If this creates the kind of difficulty the hon. member envisages, I will be the first one to recognize that he had a valid point.

We have to proceed with this bill, and now we have only three and a half hours left. It is not me who has created that difficult position in which we find ourselves. It was created by the opposition members who decided to forget all about the clauses of the bill and make general political speeches. Now they are a bit embarrassed in finding themselves trying to bail out the PQ who two weeks ago agreed with me and last week did not agree with me. I am just reporting the facts. The PQ have slandered themselves so badly they are just wishing I would bail them out, but I will not.

**Mr. Huntington:** Mr. Chairman, that filibuster by the Minister of Finance is just about as disgusting a display as you can get in a committee that is under time allocation. I want to remind the Minister of Finance that in the debate on second reading of this bill the Liberal members have had all kinds of opportunity to give input to the government, opportunity that the members in the opposition, no matter in what party, do not have. This is our opportunity to question the minister's decisions and the advice the government is getting. I have never seen a tax bill in my short history in this House that has as many false statements. It still has loopholes and flaws that need to be corrected.

● (1602)

It is closure and not giving us the time to explain and explore the bill that causes the problem. We do not have unlimited resources, unlimited mandarins, and unlimited academics feeding us. We have to work and dig, and I lose my patience when I hear speeches like that of the Minister of Finance.

**Mr. Chrétien:** The hon. member is being unfair to the members on this side of the House. The tax bill, according to