

Income Tax Act

This was income on which he was taxed by the Canadian government for his 1979 tax year, and in the meantime he had to pay a tax on that same income to the United States government. This is most improper and most irresponsible of those government officials who do not feel any obligation to our own citizens, let alone those of another country who are our guests here in Canada.

After having had someone special look into that case, we have learned this individual has to apply using certain forms. No one thought to send him the application forms last June, or in October when he wrote again, or in November or December. Now he must remit application forms. I feel that is a tremendous imposition upon an individual.

● (1640)

I would like to speak for a moment about RRSPs and the registered retirement income fund option. The minister has received many representations from senior citizens who have put aside earnings in Registered Retirement Savings Plans over a considerable period of time. They want to have a more flexible pay-out provision. The minister well knows that the Consumers Association of Canada has been lobbying for some time in order to have a greater degree of flexibility granted to these senior citizens. They are entitled to draw those earnings out, accept whatever penalties are imposed, but should be able to draw them out at a rate which is consistent with their own needs.

You may know, Mr. Chairman, that under the present scheme the pensioner at age 71 must opt either to take an annuity payable at age 90 or take a stream of cash which is indexed so that, for example, if the pensioner had \$100,000 accumulated in his RRSP, at age 71 he would receive something in the order of \$9,000 a year, and at age 90 he would receive \$22,000 a year. Many people come to me asking what good \$22,000 a year is to a man hobbling on a cane at age 91, if he is still alive. He would prefer to have the option of using some of those funds earlier in his retirement so that he might enjoy them and be willing to pay whatever tax penalties are incurred at the point.

Others have suggested they would like to keep the money in the RRSP. They do not want to take it out at age 71. They may not want to take it out until age 75, when some other source of income has been exhausted. It seems absolutely unreasonable that the Minister of Finance to this date has not given a positive undertaking to all these appeals and to the Consumers Association of Canada, granting more flexibility with respect to the disposition of the RRSPs and the proceeds of those plans to the benefit of our senior citizens.

I do not have much time left, Mr. Chairman, but I wish to add a few words with respect to the Small Business Development Bonds. There are many people, entrepreneurial individuals, trying to build businesses in my riding, and elsewhere across the country, who have predicated their loans and their business plans on the expectation that the special rate of low interest under the Small Business Development Bond would be available to them in order to offset the high cost of interest.

There are cases where individuals have been carrying a line of credit for almost a year based upon the minister's initial mini-budget statements of last April. They have been amassing large amounts of deficit accumulated from high interest rates for bridge financing. They are now being told, as we approach March 31, that if they do not have the project completed by that date any subsequent commitments they have made, in terms of spending to complete the project, will have to be financed by some other means. I think this is heartless and cruel, Mr. Chairman. We have people who have sacrificed their livelihoods. They have bought property. They have gone to great lengths to have it rezoned. They have hired architects, contractors, and they have had estimates done. They have signed contracts and borrowed for bridge financing. But they are told that if they do not have the project more than a quarter or half complete by the end of March they will not be able to complete the project.

The whole basis for those types of entrepreneurial ventures, the whole financial viability, is predicated on a certain cash flow from the business and a certain outlook as to the expenses. The prospective business person is faced with a doubling of his interest charges, because he will not get a Small Business Development Bond, even though the banker has been willing to extend him credit, when he has no assurance as to whether expenses incurred in 1980 will receive the benefits of this bond.

To this day we do not have any assurance that expenses incurred prior to March 31 will receive benefit under this scheme. In fact, if this deadline date of March 31 is not extended and the enabling legislation has not been passed by that date, then I must say that the whole talk, the whole promise of a Small Business Development Bond program by the government opposite is a fraud—a plain fraud—F-R-A-U-D. To create the impression among the people of this country that they were to receive something when, in fact, the government had no intention in the first place of extending that benefit to them, is fraud.

There is no provision in the measure before us for any special consideration to farmers and fishermen—the latter being particularly important in my riding. Under the Crosbie budget there was a 10-cent, or a 10 per cent rebate on the cost of fuel. There is now talk by the federal fisheries officials in British Columbia that they will, in fact, impose a landings charge or a so-called resource rent. This will be an additional supplementary income tax upon fishermen. And this government has not chosen to help them with the cost of fuel. The fishermen do not buy that when it is placed in contrast to the benefits appreciated by the dairy industry, the milk producers, the butter industry and many other industries, through regional equalization grants and other types of financial assistance.

Here is a government which will tax the fishermen and it has chosen not to give them any special assistance in the area of fuel. By imposing a wellhead tax, a Canadian ownership charge and a self-sufficiency tax, the Minister of Finance has imposed a tremendous burden upon all people who consume energy, whether they be manufacturers, small business per-