

*Effect of Budgetary Proposals*

Turning to the corporate tax reduction or the eventual reduction from 49 per cent to 40 per cent, as I have said, when you look at this in the budget of 1972 and compare it with what was being done in that budget for people, a very good case could be made that the budget was top heavy in its thrust and other features toward industry and perhaps not oriented enough toward those who are the victims of inflation.

That is not the case when you couple it with the present budget. When you look at what we have done for senior citizens and veterans and what has been done in the way of reducing personal income taxes, then it is very difficult to say the corporate tax coming down to 40 per cent is an abnormal feature. This is particularly true when you consider the fact that in other countries, including Sweden, the United States and most of the other large manufacturing countries, revenue from corporations is much less than it is in Canada.

I am not saying the budget is perfect or is in totality imperfect. I think much more could have been done in the budget for senior citizens, not in the way of money but in the way of providing homes. I think one of the saddest things in this country is the fact that our senior citizens have nowhere to go when they are 65 years of age. People who are chronically ill are in a difficult situation. I know that in a community such as mine there is only one decent senior citizens' home built with any kind of government assistance.

• (2030)

**An hon. Member:** Your party has formed the government for ten years.

**Mr. Mackasey:** Yes, and it has done more in ten years than your party ever did. If you want me to drop discussion of the budget and become partisan, I will. Your party had no decent unemployment insurance plan, Canada Assistance Plan or any of the present features in respect of the unemployed. So if I were in your position, the last thing I would want to do is become involved in an argument which would get someone like me on to this subject. However, I am quite prepared to do so.

I am interested in speaking to the motion on which we expect a vote in a short time. The point I want to make to the New Democratic Party is that the issues of accelerated depreciation and corporate tax reduction are of insignificance in light of the events which have transpired since May, 1972. By the time we reach those two resolutions a year will have transpired, a very eventful year.

Our revenue is higher than was anticipated, I must admit, but it is difficult to anticipate with any certainty the result of the capital gains tax, and so on. I think the New Democratic Party has selected the wrong issue to dig into. I certainly would not regard a defeat in the House of Commons on these two issues as a vote of non-confidence. I think the government should bring forward these measures shortly, and if we are defeated on them then the opposition could decide to bring in a vote of non-confidence. However, the effort of the opposition today to reintroduce these measures and the budget as separate but indivisible, which is really what the motion is all about, makes accelerated depreciation and corporate

taxes very insignificant in light of the total package of budgetary changes which were introduced less than a month ago.

There is a great deal to be accomplished in this country. I believe we all realize this. I think our manufacturing industry needs all the stimulation this government or subsequent governments can provide. For instance, I believe accelerated depreciation should have been, or must be linked with some moral obligation on the part of the person taking advantage of it to at least consult with the people affected. Under the federal legislation, when one brings in a piece of machinery, if the result of the accelerated depreciation affects the lives of people to the extent of reducing the work force, then one should be obliged to negotiate what the effect will be. It seems to me that that type of obligation could have been linked with accelerated depreciation so that companies which wished to take advantage of these provisions, if this should have a disruptive short-term effect even if it meant additional business in the future, should have a moral obligation to make certain that the men effected are looked after, in respect of attrition, by pensions or in some other manner.

**The Acting Speaker (Mr. Laniel):** Order, please.

**Mr. Max Saltzman (Waterloo):** Mr. Speaker, I listened very carefully and with a great deal of interest to the remarks of the hon. member for Vancouver South (Mr. Fraser). He said something which I think is perhaps the key to this debate. As a new member I suppose he was trying to see things resolved from his own particular viewpoint. However, he should reflect on what he said. He said the government may have the confidence of this House in a way, but that it does not have the confidence of the country. I want to add to those remarks that none of us has the confidence of this country, and what is going on in this country is not designed to correct that. I do not think we should kid ourselves in this regard. It is true that the last election did not give the Liberals a mandate. However, it did not give the Tories a mandate and it did not give the NDP a mandate. All of us are here to try to make parliament work under those particular circumstances. When we have to face an election, whenever that comes, the people of the country will be looking at what went on in this fun house.

**An hon. Member:** Shame on you.

**Mr. Saltzman:** I put it that way because there are a lot of games being played here. I am not naïve enough to think like one member, who said we are turning parliament into a political arena. Our parliament is a political arena but it is also a lot of other things. Many of us who have been here a long time understand that politics play a legitimate role, but we also know there are periods when people of all political parties must co-operate in order to continue the function of parliament and must think in terms of the good of the country and the continuation of certain policies. Any one of us who wants to take the trouble to consult his constituents will get a reading of uncertainty on the part of people who are looking at this parliament to see what is going to happen. They know how difficult the situation is. They know there is a minority government and that there is a reinforced Conservative opposition