

Allotment of Time for Bill C-11

for the sake of realizing capital gains, in my submission we see that the results are not worth it as far as the government or the country is concerned.

I say in all sincerity to hon. members opposite that I cannot understand why, if they insist on going ahead with the capital gains tax in every field except, I suppose, the family farm, which was one instance where Her Majesty's Loyal Opposition and the government were able finally to come to some sort of consensus when it became obvious the harm this was going to do, the government and the Minister of Finance do not take this opportunity to rework the capital gains concept so that Canadians who are buying stocks in Canadian companies—sometimes by virtue of payroll deduction—are not treated differently, when these securities are sold, from a speculator who goes down to the stock exchange or arranges through his broker to buy 1,000 shares of a company and sells them after a few weeks and makes a quick gain.

I can see the justification for taxing in those latter circumstances, but with inflation proceeding at the rate it is, and in many cases with the taxpayer borrowing money to buy securities to add to his portfolio, I do not see how the government can possibly justify taxing people on any basis after they hold Canadian securities for a few years, long enough to demonstrate that they are buying them as an investment to educate their children or to facilitate their retirement, or for some other worth-while purpose. I urge the Minister of Finance and his influential parliamentary secretary to have another look at this concept so that the initiative which is being blunted by this capital gains tax the way it is presently applied can be freed, and so the taxpayer, the ordinary Canadian who wants to invest in his country and wants to invest in Canadian companies, can do so without having his investment wiped out by the fact that when he is taxed, taking into account present economic positions, he is worse off than when he made the investment in the first place.

Another thing I think Canadians would do well to consider is the fact that ever since the then minister of finance—I believe it was J. L. Ilesley in 1942—put into effect the confiscatory arrangement whereby taxes are deducted at source, most Canadians have not fully realized the extent of the tax moneys which have been taken from them at source. The confiscation of their hard earned dollars they never even see. If Canadians had to write out a cheque and actually pay those moneys to the government, they would be far more conscious of the tremendous amount of money which is taken away by the government, to the point where we are perhaps the most regressively taxed nation in the western world.

This bill is full of contradictions and full of the worst kind of tax fraud, as far as I am concerned. It is difficult to reconcile the so-called tax benefits whereby a tax cut of less than \$2 a week is supposed to be a stimulant for the economy. As the hon. member for York-Simcoe (Mr. Stevens) has pointed out, the average person who earns \$10,000 and who is subjected to a cut in his allowable wages increase from 8 per cent to 6 per cent is certainly not even holding his own in this respect. The

[Mr. MacKay.]

difference between an 8 per cent and a 6 per cent raise on a \$10,000 salary is \$200.

With its usual hypocrisy the government is saying to that taxpayer that it is doing a big thing for him by giving him the \$100 tax rebate, but when the poor fellow counts it up at the end of the year, he finds that as a result of the "charity" exhibited by the government he is actually substantially worse off than he was in the first instance.

It is obvious that the attitude of hon. members opposite and of the Minister of Finance cannot be founded on any sense of logic or equity. To suggest seriously that the opposition is stalling on this bill to the point where it is justifiable for the government to bring in closure, is just not in accordance with the facts. It has been pointed out already, and I think it should be pointed out time and time again, that this legislation is substantially the same legislation which was brought in on June 15. Because the government was either unwilling or unable to get its act in order, it found it necessary to bring it in at this late stage in this session of parliament. Having done that it seeks to shut off reasoned debate about the honest concerns of opposition parties for the sake of ramming a piece of legislation through which, on its face, is full of contradictions and deserves to be severely criticized.

If one looks at the forecasting record of the government even cursorily, one cannot really blame the government for wanting to get this piece of legislation out of sight, and hopefully out of mind, as far as the Canadian people are concerned. On March 31 the minister's predecessor forecast 4 per cent real growth, 6 per cent inflation, and a \$6.4 billion cash requirement. This was not a forecast of which one could be very proud. Even government apologists would have a great deal of difficulty in suggesting that this was living up to Canada's potential as a trading nation.

As a result of further mismanagement and incompetence the forecast had to be changed to 2 per cent real growth, at least 8 per cent inflation, and a \$8.5 billion cash requirement. With a performance like this, with a record like this, and with a bill which is, as I said, a monstrosity which would require many hours just to put fully on the record and to have explained, it is little wonder that the government is seeking to bring in closure to justify its own incompetence.

I wonder if this precedent is going to be used again and again because, if so, it has the potential of making this institution practically meaningless. Certainly the opposition cannot do better than have the opportunity to examine just a fraction of the important clauses of this bill which purport to change the very basis upon which Canadians have to plan their affairs. If that is so, and if the government is going to come into this place and say after a few hours' debate that it wishes to restrict the time for the scrutiny that members of parliament are bound to give legislation like this, by virtue of their mandate as members of parliament, I wonder where this institution is going to go.

The Acting Speaker (Mr. Turner): Order, please. I regret to inform the hon. member that his allotted time has expired.