

Income Tax Act

Mr. Deputy Speaker: The only way we cannot now see the clock is by unanimous consent.

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Deputy Speaker: Is there unanimous consent that the House does not see the clock?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Deputy Speaker: There is not unanimous consent. Therefore, I have to conclude that the hour provided for the consideration of private members' business has now expired. I do now leave the chair until eight o'clock p.m.

At six o'clock the House took recess.

● (2000)

AFTER RECESS

The House resumed at 8 p.m.

GOVERNMENT ORDERS

[English]

INCOME TAX ACT**MEASURE TO AMEND**

The House resumed consideration of the motion of Mr. Crosbie that Bill C-17, to amend the statute law relating to income tax and to amend the Canada Pension Plan, be read the second time and referred to Committee of the Whole.

Mr. Deputy Speaker: When the debate was interrupted at 5 p.m. the hon. member for Windsor West (Mr. Gray) had the floor.

Hon. Herb Gray (Windsor West): Mr. Speaker, I was talking about the fact that the Conservative Speech from the Throne was very empty when it came to policy on matters related to energy and the economy. I was saying that one reason the Minister of Finance (Mr. Crosbie) has not been able to bring down his own budget as yet is because he does not know what the price of energy will be. He has been hinting that a budget will be presented in November, but today the Prime Minister (Mr. Clark) seemed to suggest, during the question period, that he was hoping for a budget by the end of the year. This would mean further delay when what is needed is prompt action to strengthen the Canadian economy.

In the field of energy prices, the action the Minister of Finance appears to favour is one which, in my view, would harm the Canadian economy rather than help it. He seems to

[Mr. Peters.]

be promoting a rapid increase to world levels of energy prices in Canada, which would mean increases to \$1.30 or \$1.40 a gallon for gasoline, an increase of four dollars a barrel for petroleum. All this means an increase of at least 2 per cent in the Canadian cost of living which is already being pushed upward by the Conservative high interest rate policy.

I was informed just before the House resumed that even Premier Lougheed, who at one time was considered such a close friend and supporter of the Prime Minister and his party, has complained, in Vancouver, I believe, about this high interest policy saying, if I recall correctly, that it was a short-term expedient not in the interest of the Canadian economy. The rapid increase in energy prices to world levels apparently sought by the Conservatives would take away most, if not all, of the competitive advantage Canadian industry now possesses when it comes to selling goods both here and abroad because they are able to pay for what are, after all, Canada's own energy resources at prices lower than world prices.

The minister today tabled his mortgage tax credit plan. I think we have to recognize that his high interest rate policy, the Conservative high interest rate policy, will cancel out whatever benefit people might have expected from it. It is not the plan which he and the Conservatives promised before the election. A lot of people will get less than they had expected from the old plan. He has admitted, though, that the present tax credit plan is simpler and fairer to lower and middle income people than the one promised by his party before and during the election. We shall, of course, be discussing this matter in greater detail, hopefully within the next few weeks. As I have said, though, the Conservative plan promised not simply to help people keep pace with the high Conservative interest rates—which it will not succeed in doing, anyway. People got the impression before and during the election that the Conservative promise of deductibility of mortgage interest rates and property taxes would make them better off than they were at the time that promise was made. But the high interest rates cancel out the benefits completely.

In spite of what the Conservatives said about the budget measures presented to us today during the budget debate last fall, in presenting these measures again they are confirming their value, they are endorsing them, and they are admitting so far they have nothing better. We in the official opposition will therefore not extend debate unduly. We shall, however, insist that the Minister of Finance note and explain clearly what changes, if any, he is making in these measures as compared with what was in the original budget. Our main objective, though, is to have the Minister of Finance present his own budget because action further to what was outlined in the budget of last November can and should be taken in a new budget to help the Canadian economy to make industry more productive and efficient as part of an industrial strategy, as well as measures to help specific sectors of society, for example, small business, farmers, consumers, lower income groups. We in the official opposition will continue to press for measures of this kind.