

know about these things and is supposed to be able to come to this House as Parliamentary Secretary to the Minister of Finance to help explain the minister's bill does not even know what is in the bill.

An hon. Member: He thought the borrowing part would still be there.

Mr. Blenkarn: I suppose my friend is right in that he thought the borrowing part would still be there and he had the department write his speech for him. The department wrote a wonderful speech about macroeconomics, which has absolutely nothing to do with this bill.

The parliamentary secretary mentioned the small business development clause, and I will be dealing with that in my speech in respect of the bill, but by and large what he said had nothing to do with the bill. He said we should improve savings, but all the way through the bill there are provisions where capital cost allowances are reduced and where allowances for exploration and development are reduced. In other words, the tax impact on the producing section of the country is increased. Yet the member talks about the necessity for increasing savings, and he talks about how the wonderful Liberal program is going to bring us to the new millenium. He has not read the bill and he has not even tried to read it, yet he comes to this House purporting to be the Parliamentary Secretary to the Minister of Finance, able to talk to us about the importance of this finance bill, a bill dealing with very complicated amendments to the Income Tax Act. Surely, Mr. Speaker, he ought to be chastised, if not by you, by his colleagues and by his minister.

Let me deal with one specific matter. He talked about the auto industry, he talked about Chrysler and he talked about the fact that we have to promote the sales of automobiles and so on. If he looks at the small business development portion of this bill, he will see it specifically excludes automobile and truck products from the provision of the small business development part. If anything, the bill discourages the purchase of automobiles and trucks. Yet, the parliamentary secretary talks about that as something the government is encouraging. He is the Parliamentary Secretary to the Minister of Finance—really!

Let us talk about the bill before us. First let me talk about the generalities in the bill. This bill is a cleanup statute. There was a budget presented in 1978 by the now Minister of Justice (Mr. Chrétien). There was a budget presented on December 11, 1979, which was defeated. There was a statement called the "mini-mouse budget" on April 21. What happened to it? We never even had a vote on it. There was a budget on October 28 last year. We now have this very extensive statute attempting to clean up the income tax changes made over that three-year period.

One of the most serious problems we have in this country has been created by the delay, particularly of this government, in bringing forward income tax statutes in order that the business community could know where it stood. When the Minister of Finance (Mr. MacEachen) stands up on a budget

night making suggestions in common parlance in respect of changes to the Income Tax Act, people cannot rely on those changes until they actually see the statutes in cold print, yet the business community has over the past three years been invited to think of what may well be in the statute, but never knowing for sure what is in it because the statutes have never been brought forward for passage.

● (2030)

Thank goodness this government has at last brought forward this bill. At least now we know where we stand. As an illustration of the problem of not knowing where we stand, let me talk about the Small Business Development Bond for a moment. It is in this legislation. That concept was first enunciated by the hon. member for St. John's West (Mr. Crosbie). Hon. members opposite threw it out. They thought it was no good. Hon. members to my left threw it out too. They thought it was no good. All of a sudden in April the concept of the Small Business Development Bond was reintroduced by the Minister of Finance. But did he introduce for the business community the details of the bond? Not on your life.

Mr. Miller: He doesn't know what the details are.

Mr. Blenkarn: Did he do anything? In a press release he said what he would do, and when young businessmen, and businessmen generally, applied to banks and lending institutions in order to take advantage of the provisions of a Small Business Development Bond, they were told that until the banks and lending institutions saw the details of the legislation and until it was passed, they would not lend. They were told that if they wanted to borrow money in the meantime, the banks and lending institutions would give them the option to convert to the Small Business Development Bond if, as and when it turned out to be all right, but there were no guarantees with respect to interest rates at all. What has happened is that businessmen have been hornswoggled, diddled around and played with since December 11, 1979, because no government, and certainly not this one, has been prepared to introduce the details of the legislation on which the lending institutions could operate.

The same applies to the provisions in this bill whereby spouses of sole proprietors can be paid a wage. That was first introduced on December 11 but, of course, voted out by these fellows because they did not think that budget was any good.

They introduced those provisions on April 21. They thought they were good on April 21 but no good on December 11. When all of a sudden they became good, legislation still was not introduced. As a consequence, all through 1980 sole proprietors did not know whether they could pay their wives or not. Here we are in 1981 enacting an amendment to the Income Tax Act for the taxation year 1980. All through 1980 business people had no sense of where they were going. They called the Department of National Revenue, and I remember many of them calling my office and asking me what they should do. In Toronto, the department told them it was not sure whether the statute would ever be passed. The department told them to pay their wives if they wanted to, but that they