

*Income Tax Act***CITIZENSHIP AND IMMIGRATION**INQUIRY AS TO APPOINTMENT OF
DEPUTY MINISTER

On the orders of the day:

Mr. Frank Howard (Skeena): Mr. Speaker, I should like to direct a question to the Prime Minister and ask him what plans are afoot to replace Colonel Jones, who I understand recently resigned from the position of acting deputy minister of citizenship and immigration.

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, this is a matter of departmental administration. I cannot answer the hon. gentleman's question except to say that an appointment of a new deputy minister to this department will be made very shortly.

INCOME TAX ACT

The house resumed, from Thursday, October 31, consideration in committee of Bill No. C-95, to amend the Income Tax Act—Mr. Gordon—Mr. Lamoureux in the chair.

On clause 1.

Mr. Diefenbaker: Mr. Chairman, at the adjournment last evening the hon. member for Edmonton East was speaking, and he has been kind enough to give way to me, an act which I appreciate very much, knowing as he does that I have an appointment very shortly. Today I am just going to review very briefly and as succinctly as possible the budget situation. I am going to refer to some of the suggestions and plans made by the parliamentary secretary to the Prime Minister who a few days ago visited Vancouver and placed his views before the people of the province of British Columbia. In view of his propinquity to the Prime Minister I am sure those views represent a degree of official thinking.

I am not going to deal with the budget in detail. I think it can be said that the budget introduced by this government pursuant to the Pearson plan which was four years in preparation has been subjected to more criticism than any other similar document or plan which has ever been presented in Canadian history. The trouble with it is that the Minister of Finance says this has been covered over and over again. I ask, what has been covered? The budget that was born with hope has become abortive with the passing months. It is difficult to know just what remains today of the budget, for as soon as various sections were assailed the government withdrew them. This has been a budget noted not for what it provided but for what has been withdrawn from it.

The minister said there had been 15 votes of confidence this session. Well, they have

[Mr. Garland.]

not been votes of confidence on the budget submitted by this government. The longer the delay in finally presenting the bill in question to implement the budget, the greater the withdrawals and retreats, the alterations and changes. The minister stated that business people in Canada should know what the budget will do, and that this bill should be passed. Certainly business people and people in general have been asking over and over again what manner of nonsense activated the Minister of Finance in bringing in the budget in question. This bill is to implement some of the remaining remnants of the budget which was introduced with such cavalier arrogance only a few months ago.

This budget which was introduced rocked Canadian business. It interfered with the operations of Canada's capital market. It shook up the stock exchanges of Canada. It destroyed confidence, and all of this in a few months. The Minister of Finance smiles. I am not going to read what Mr. Kierans thought of it, and he is one who certainly has not been a supporter of this party and is today a minister in the government of Quebec. Any time the minister feels like smiling over the debacle of his budget I need only refer him to a reading of the views of Mr. Kierans.

This budget which was produced went underground; now it is coming back to the surface in bits. It brought about an erosion of relations with the United States. Never in the history of this country has a document such as the budget done more to harm our relations with the United States. All the honeymoon of Hyannis Port was dissipated in a few short weeks when, without any justification, a 30 per cent sales tax on foreign purchase of securities was introduced in this house by way of suggestion.

Then the next plan was to buy Canada back, and the government is trying to do this on the instalment plan. Over and over again the minister used to speak of buying Canada back. While on the one hand one minister takes that stand, the other minister, the Minister of Trade and Commerce, goes across the country speaking about free trade with the United States. He invites investment in Canada. The Secretary of State for External Affairs says we will welcome the new co-operation and partnership between the United States and Canada in connection with development. While these hon. gentlemen speak in that way the Minister of Finance does everything possible to undermine and destroy the probability of investment within our country. He speaks of confidence. I ask, how many changes have been made? Here is a government which introduces a budget