

latest figures, but the figures for last month show exactly the reverse. Canada has a higher per capita saving today than it has had for a very long time, probably higher than it has ever had. In addition, the gross national debt per capita is lower than it has been for many years.

There is a great deal of saving taking place. If this were not so, where would all the money be coming from to pay for the increased housing that is taking place? More housing units are being built in this country than ever before. More housing starts are occurring in one year than occurred in ten years under any other government. I ask where the money is coming from if the savings in the private sector have dried up or the people have been frightened off by the present government? There is something obviously wrong with the figures quoted by the hon. member, and I just point that out as one Manitoban to another. Perhaps his research men have made a mistake.

The hon. member for Gander-Twillingate talked as though the federal tax was putting such a drag on everything. I do not like the tax any more than he does, and if the federal tax could be decreased I would join with him in a whoop for joy. He must realize that municipal and provincial taxes are much higher than federal taxes. Provinces and municipalities obtain a far greater tax share from the people of Canada than the federal government. When you travel around your constituency, at least in my part of the country the main complaint is in respect of real estate taxes; that is what bothers people. This is a strictly provincial matter. Perhaps the provinces should ask the federal government to make a deal in this regard, but we cannot do a thing about real estate taxes as long as provincial and municipal governments grasp this avenue of revenue in their hot little hands. We are doing what we can. In any event, this matter does not have any place in a debate on federal tax reform.

It occurred to me there was a bit of cloudy thinking by the hon. member for Edmonton West (Mr. Lambert) in respect of the amendment he moved to this motion. He has a perfect right to disagree, and I expect him to do so because that is the job of the opposition. The motion suggests that we throw the whole bill out because of unacceptable levels of inflation, persisting unemployment and stagnant industry. If his statements were true they would have no place in this debate. They should be made during the budget debate, and that debate has concluded. There is a difference between budgetary problems and tax reform. We are now talking about tax reform. If hon. members did not like the budget they should have complained during the budget debate. They should not propose amendments relating to the budget during a debate on tax reform.

It seems there was a bit of cloudy thinking, again, on the part of the research department who advised that hon. member. He suggested the opposition wants meaningful tax reform as though there were no meaningful reform in this bill. That is stretching the point, even for an opposition member who is being paid to be opposite. There are increased exemptions. Some may think they

should have been more and some may think they should have been less, but this is a meaningful tax reform. The removal of a million people from the tax rolls is a meaningful tax reform. The reduction in taxes for 4.7 million others is a tax reform.

**An hon. Member:** What about the removal of the estate tax?

**Mr. Osler:** I will get to that.

**An hon. Member:** Good.

**Mr. Osler:** The guarantee that people 65 years of age and over will not pay taxes on their taxable income of \$2,250 for a single man and \$3,600 for a married man is a welcome change. You cannot sweep these reforms under the carpet. You might say you would like to have more, but then you should suggest how the government will get more money in order to accomplish this purpose. You cannot sweep these reforms under the rug by suggesting there is no reform. By doing so you are discrediting this place, and parliamentarians cannot afford to be discredited.

There is also a reform in our tax system in that we are adopting the principle of a capital gains tax. I think it is time this country got into line with other countries in respect of a tax system including capital gains.

**Mr. Orlikow:** It is only a half-price measure.

**Mr. Osler:** It may be suggested it should be 150 per cent and then everyone would be happy, but people engaged in business must have some encouragement. If hon. members on the opposite side of the House do not believe in what the government is suggesting, they should say so where they campaign. Hon. members do not say so in Manitoba where the NDP has formed the government.

We are doing all kinds of things to encourage business. Hon. members opposite cannot encourage business by discrediting the government in respect of a capital gains tax.

**An hon. Member:** Oh, come off it.

**Mr. Osler:** I tried to get a copy of the latest budget presented by the government of Manitoba but my secretary could not find it. My own secretary is on holiday and I have a new girl who is strange to the work. That budget will show that long before we brought in the proposition to eliminate the estate tax, the government of Manitoba had placed itself in a position where it had to increase taxes this year to balance its budget. It was then very easy for the government of Manitoba to be highly moral and suggest the federal government had committed a sin because it would cut them out of the 50 per cent or 75 per cent they would get from the estate tax. This is the way they felt in Manitoba in spite of all the assurances by the minister that they would be compensated.

Try to convince the farmers or the entrepreneurs that this is the case. Try to convince them that they can make