

does not say how low they should be, where he would put them, why they are too high, what has changed, or how governor Bouey's advice is somehow different now from what it was five months ago.

It is nonsense to suggest that governor Bouey's advice is any different. The hon. member knows that perfectly well, and if he was not prepared to speak up before May 22, he should hang his head in silence and shame for the next year and keep quiet about interest rates, because he has no right to speak.

The hon. member for Saint-Maurice (Mr. Chrétien), the hon. member for Saint-Henri-Westmount (Mr. Johnston) and the hon. member for Stormont-Dundas (Mr. Lumley) say nothing has changed and that the governor of the Bank of Canada is right. The hon. member for Windsor West (Mr. Gray) tells us that interest rates are too high. I think we are entitled to know where the Liberal party stands on this issue. We know where the government stands, and I suggest that the people of Canada know where the New Democratic Party stands, but we do not have a clue as to where the Liberal party stands.

**An hon. Member:** Neither do they.

**Mr. Rae:** We do not have a clue as to where they stand because they do not know themselves. As has been said before, they are not an opposition, they are a government in exile, and that attitude is clear in the speeches which have been given on this bill.

At second reading the hon. member for Windsor West did not refer to the provisions of this bill a single time. That record was matched by the hon. member for Thunder Bay-Nipigon, the former president of the treasury board, who in his rambling tour of the Liberal mind did not touch once on a single feature of Bill C-17. Not once did he mention it, so I suggest to him that instead of reading speeches given in the other place he might be better advised to start reading the legislation which comes before the House of Commons. If he has something to say, let him say it at second reading, in the course of the debate and at third reading.

I turn now to the particular measures of the bill. I think it is a crystal clear example of how and why there is no difference at all between the Liberal party and the Conservative party. Let me just start with the small business deduction, which was thoroughly and, I think, fairly debated on both sides in the House yesterday and the night before, but where was the Liberal party when it came time to debate that particular question?

The hon. member for Spadina (Mr. Stollery) joined in the criticism of the New Democratic Party that the creation of a particular tax status for professionals and people creating management service companies was unfair. Then the hon. member for Jonquière (Mr. Marceau) spoke on behalf of the doctors and other professionals in his riding. The hon. member for Windsor West did not speak a word throughout the entire debate. The hon. member for Saint-Henri-Westmount criticized the amendment, and then voted for it. That is where the Liberal party stands on the question of tax fairness and of

particular breaks which are going to be given to professionals and people with management service companies, and I think it is time the people knew.

The Liberals do not even have the courage to defend their own legislation as it was brought out last year. The hon. member for Saint-Maurice did not even have sufficient commitment to his own tax reform measures to speak on their behalf in the House in this entire debate. There was not one coherent Liberal statement in defence of one of the two major reforms, from a tax point of view.

[Translation]

**Mr. Gourd:** Mr. Speaker, I rise on a point of order.

**Mr. Deputy Speaker:** Order, please. The hon. member for Argenteuil (Mr. Gourd) on a point of order.

**Mr. Gourd:** Mr. Speaker, I may be new here but I suggest that we are dealing now with an income tax bill. Therefore I do not understand why the hon. member keeps referring to what the Liberal party has or has not done. It is the duty of the government to introduce the bill, and I should ask my hon. colleague in the New Democratic Party to get moving, as the Prime Minister (Mr. Clark) said this morning, and to deal with the income tax bill and not with the progress or lack of progress of the Liberals.

**Mr. Deputy Speaker:** Order, please. If I understood correctly his remarks, the hon. member for Broadview-Greenwood has dealt until now with the bill and the position of a number of hon. members during the debate on this bill. I feel, therefore, that everything is in order.

**Mr. Rae:** Mr. Speaker, it is quite clear. I can understand why the hon. member who spoke before me found my remarks embarrassing when I referred to the different and even conflicting positions adopted by the Liberal party, but as I am dealing with this bill, I have not heard a word from his colleague the hon. member for Thunder Bay-Nipigon (Mr. Andras) about it.

[English]

Clause 38 is the matter under discussion, if the hon. member wants to have a look at it and to deal with the position his party took on it. It again has created an anomalous situation in our tax law which is bad from two points of view. First is the fact that it has created a third category of business corporation in our income tax law and has added significantly to the complexity of our income tax law, just at a time when the Minister of Finance (Mr. Crosbie) is telling us that he thinks the Income Tax Act is far too complicated and should be simplified. If that is the case, I think we are entitled to hear from the Conservative party what its plans are to make the Income Tax Act more simple and clear.

Does the government plan to present legislation to this House? Does it intend to establish a task force to make recommendations? How serious is the government? The evi-