Act, as it was in 1917, has required 295 pages to be put into a special Bill, presented to Parliament, presumably passed, and we are all supposed to cheer, if you believe that the Minister of Finance has removed the ambiguities so that suddenly everything is made abundantly clear for the taxpayers of Canada.

That is only part of the problem. We find, when we review the matter, that this only deals with specific amendments to the Income Tax Act itself. It does not touch all the variances that are occurring even as we talk. There probably are some bureaucrats changing those regulations now.

• (2010)

The fact is that regulations are being changed. Let me refer to one example. I trust that every Liberal is very familiar with the Income Tax Act. When I refer to the fact that there is a Part XI—sometimes referred to as 11—of the Income Tax regulations dealing with capital cost allowances, those Members will know immediately that one of the most important changes suggested in November, 1981, with respect to our Income Tax Act was the very radical move made by the Government of reducing the capital cost allowance that businessmen were entitled to with respect to depreciation or write-offs on capital goods. That section has netted the federal Treasury for this year and next year an estimated $2 billion. But this change in the regulations did not even rate being put into the income tax amendment which we are now considering. Bill C-139 does not include any reference to that capital cost allowance adjustment because it has been touched upon in a regulation. It was simply a matter of amending Part XI to the income tax regulations to cut the normal write-off which included being able to write off, for example, $100,000 of equipment or other capital expenditures within the year to only half of that amount. I cite this example because this is a regulation that has a $2 billion impact as far as the taxpayers in Canada are concerned, yet we in the House of Commons are not even given an opportunity to consider that change in a direct way.

Not only are regulations used for that purpose, I would point out that included with the small bundle which we received with Bill C-139 was another press release from the Minister of Finance in which he stated that he was including draft regulations in such a form as to assist in the understanding of the Bill and to invite comments from interested persons before they are issued in final form. These draft regulations that the Minister referred to concern the taxation of certain debt obligations, annuities, and life insurance policies. How can one accept the credibility of a Minister of Finance, who said earlier today that he is trying to remove ambiguities, who wants us to believe his press release which states that he is calling for the passage of this law to let affected taxpayers know precisely where they stand, when he hands us at the very same time another press release which says, "Incidentally, I have passed a few more regulations in draft form that I would like you to look at and comment on because we are not sure what to do in that field."

In short, the Minister has introduced much more ambiguity into our tax system at a time when the public needs clarity, certainly from a taxpayer's point of view, and less uncertainty as to what the total impact of taxation is on individual Canadians. I suggest that any amendment to the Income Tax Act which requires a magnitude of explanation such as we see before us should be withdrawn, reconsidered and introduced in a simpler form. The time has come when we surely have to accept that if people are to be taxed to the extent they are now taxed in Canada, the least that can be done for them is to make it understandable as to when they do or do not pay taxes. I remind Hon. Members of the extent to which we are being taxed in this country. Let us never forget that the total take of the Government today is between 42 cents and 43 cents of every dollar that we earn. This means that in a five-day workweek the first two days that one works are simply to earn enough money to pay some level of Government what it believes is its take.

As has been said, slavery is living in a society that taxes its people 100 per cent. We are 42 per cent of the way there already. I believe that it is not only time to draw back from more taxation; we must make it abundantly clear that if taxation is necessary it must clearly be done in a manner that is understandable.

Some Members on the Government benches may suggest that it is easy for a critic from the Official Opposition to make these suggestions and that they know better. What I find most odd is that one of the Government's super Ministers, the Minister of State for Economic Development (Mr. Johnston) who is the czar, if you like, who hovers over all these lesser economic Ministers, has written various articles. For example, he wrote an article in the McGill Law Journal concerning the taxpayer and fiscal legislation. It is very interesting to hear what the super Minister on the Government side said about the very things we are discussing tonight. For example, he said:

> The arbitrary or discretionary imposition of taxes is therefore incompatible with the first meaning of the 'Rule of Law'.

He goes on to state:

> Yet even in the absence of arbitrary or discretionary powers, the individual may be unable to ascertain the consequences of his actions because of the language of the statute with which he is concerned.

He mentions how important it is not to have imprecision or ambiguity in legislation. The point that he is making is that if a Government tells its citizens that they cannot claim ignorance of the law or that they do not know what the law is, the legislators then must go out of their way to ensure that the law is easily understood. In short, the Minister points out in his article that:

> The first rule of importance is that the subject is not to be taxed without clear words for that purpose.

He goes on to cite an English authority to support that statement. I suggest that all Hon. Members who wish to read this full article can turn to the McGill Law Journal of 1962, Volume 8, No. 2. They have a very interesting exposé in support of the arguments that I am raising tonight. This is an