

Income Tax Act

terms which must be calculated every year and which necessitates the employment of a lot of nitwits doing something which is not even necessary. Let a man or woman take the money out as they see fit at any time they like. If the individual wants to go on a spending spree in the first five years of retirement, let it be, that is his money. He will pay tax on it when he takes it out. If he wants to hold it back, thinking he will live to 150, let him do so. Let the individual choice be the common sense approach. Get rid of all these control techniques. As long as the tax collector gets his money when the guy takes his money out, that is all the tax collector has a right to.

I would like to conclude this part of my remarks by saying there is a big difference in philosophy now than when the RRSPs started. When the RRSPs started they were purely a device to help a person save until he died, to add additional money to whatever his pension or pensions were or, if he did not have pensions, to look after his own future. That was the original philosophy and it was a good philosophy.

As the years have rolled on a new philosophy has developed. The hon. member for Esquimalt-Saanich mentioned the tax-haven concept, but I go on and mention another more important philosophy. At this particular moment in Canada's history, facing as we do heavy commitments by the nation in a capital intensive enterprise for the next 20 to 30 years, one of the first functions of a good citizen is to save money not only for himself but to provide a capital pool for the benefit of all the people of Canada. Everything we can do in the tax system to encourage people to put aside what they do not need into savings builds up that capital pool, lowers interest rates and provides us with an amount of money that we need to undertake these great enterprises we have to face in the next 20 to 30 years.

I would like to see this philosophy pushed. I know in the last 15 years the RRSPs increased from a few hundred thousand up to two million. I would like to see that two million figure go up to six million or eight million. By age 60, 80 per cent of the work force of Canada have money of their own on top of their pensions, whether these pensions are in their business or are pensions provided by the state, but the individual is still encouraged to look after himself in his old age. This is the one thing that helps this nation and it helps the individual too.

The reason is very simple. As money circulates through the economy there is the principle of the multiplier effect. The multiplier effect means that whenever a person spends all the money he gets it goes into the system. If the multiplier is, say, three and one puts \$1,000 into the system, \$3,000 goes into the gross national product. Governments take out 40 per cent of that \$1,000, which is about \$400, and governments get their money back very quickly. So in addition to getting the \$200 tax from the guy who takes the money out, the money goes through the system and they get another \$400 from the tax of other people. This multiplier effect is what keeps the system going. May I call it ten o'clock, Mr. Speaker?

[Mr. Hamilton (Qu'Appelle-Moose Mountain).]

PROCEEDINGS ON ADJOURNMENT MOTION

[English]

A motion to adjourn the House under Standing Order 40 deemed to have been moved.

TRANSPORT—REPLACEMENT FOR S.S. "CARSON"—LOCATION OF SHIPYARD UNDERTAKING CONSTRUCTION

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, I rise this evening in the usual manner to pursue further a question which I raised in this chamber on February 1, virtually four months ago. I am not complaining about my order of priority among things that are important in this House, but inasmuch as it had to do with a question I asked the Minister of Transport (Mr. Lang) respecting the government's intentions for the purchase or rental, offshore, of a vessel for Canadian National Marine to carry out ferry and related services on the east coast of Canada, it seems a little bit passing strange to myself and most Canadians that it is virtually four months later that I get around to debating it.

That is not necessarily a criticism of the Chair or of the orderly conduct of the business of this House; it is just a sad comment on the capacity of this House within its present procedures to deal with matters of concern to private members and, in turn, to many thousands of Canadians.

● (2202)

My question to the minister on that occasion was:

Would the minister indicate whether, in fact, officials of his department are now outside Canada seeking to place an order for replacement of the CN ferry *Carson* which sank off the Labrador coast late last year?

The minister replied:

Mr. Speaker, no firm position has been taken at this point in time for a replacement for the *Carson*. Officials of my department and of CN Marine are always alert in an effort to find out which vessels may be available for additional service in the ferry systems in the eastern part of the country. I have no doubt they are interested at all times to know at what prices they might be able to acquire vessels of various configurations.

The fact is he had no answer. He did not know whether his departmental people and CN Marine were in fact offshore actively pursuing the lease of purchase of ships built in countries other than Canada for use by a government agency in the ferry system of this country.

On May 16, under the byline of Kendal Windeyer, in the *Montreal Gazette*, there is an article headed "Shipyards lack work but ship lines charter vessels". The ship line referred to is CN Marine. The battle is quite clearly over who should build the ships which ply Canadian waters. CN Marine, a division of Canadian National Railways, decided it would charter two Swedish vessels on five leases for service between Nova Scotia and Newfoundland earlier this year. That article was written in the middle of May. Some time between the end of March and the middle of May, the minister decided covertly to permit CN Marine and departmental officials to go offshore for the purchase or lease of two vessels.