

*The Budget—Mr. Lambert*

dence, enthusiasm and enterprising spirit which would allow the country to forge ahead so that it can achieve its great potential.

**Mr. Murphy:** Mr. Speaker, I have a short question for the Hon. Member for Vegreville (Mr. Mazankowski). In his remarks he talked about returning the industry to private enterprise. Did he mean Petro-Canada, Suncor and those socialistic enterprises under the control of the Government of Canada and the Government of Ontario?

Also he talked about the recovery in the United States. Is he aware of the terrible layoffs which are occurring in the United States steel industry? Because of those layoffs, companies such as Iron Ore of Canada have actually closed down operations and towns in Canada.

**Mr. Mazankowski:** I would rather talk about the problems, issues and proposed solutions within our own country because we have tremendous opportunities of which we have failed to take advantage. We have some natural strength which we have frittered away. For example, we failed to turn our energy advantage into an economic one and we failed to turn our tourism advantage into an economic one.

**Mr. Murphy:** What about Suncor?

**Mr. Mazankowski:** I will get to that. I listened to the Hon. Member when he asked his question, but if he is saying that he wants to continue the Canadian Ownership Special Charge to further socialize industry ad hoc without any controls or accountability, I will meet him in the election campaign on that one. There is \$900 million in a slush fund which was to be used to buy out foreign multinational companies. It is now being used as a political patronage porkbarrel. If the Hon. Member is in favour of that, as I suggest he is, I am sure Canadians would have a different view. I would certainly debate that on the hustings with him at any time.

**Hon. Marcel Lambert (Edmonton West):** Mr. Speaker, in 20 years the Liberal administration has increased the annual deficit five times the total Budget of 1963. When Walter Gordon became Minister of Finance in 1963, his total Budget, which incidentally provided for a small deficit relative to today, was a mere \$6.3 billion. Now we wonder at the equanimity with which this administration since the days of John Turner has piled up deficits so that we have an accumulated deficit of close to \$160 billion. That is the problem with which the Budget did not deal.

● (1220)

One can agree with the effect of some things in the Budget. The Minister of Finance (Mr. Lalonde) has at least deigned to look upon certain problems. He has taken certain corrective measures. We do not know how effective they will be.

For example, the Minister boasted about how he was simplifying taxation for small business. He did not do that from any Government initiative. I invite Hon. Members and anyone else who is interested to look at the testimony before the Economy

Affairs Committee in the fall of 1982. It dealt with the horrible mess of the proposals in 1980, 1981 and 1982, which had not been passed into law, under the general heading of income tax, as proposed by the Deputy Prime Minister (Mr. MacEachen) when he was Minister of Finance.

There are only two Liberals officially in the Chamber at the present time. I can see others who recall the testimony from organizations representing all parts of Canada, particularly that dealing with the complexity of taxation for small business. The proposals were going to add some hundreds of pages to the income tax text, not only statutory changes but regulations. No one knew what they said.

We have a peculiar system with regard to drafting legislation. A Minister such as the Minister of Finance makes certain proposals and they are put in the Ways and Means Motion, which is the general thrust or intent of the budget for that ministry. The statute changes and the regulations are written in the drafting section of the Department of Justice. There is a certain philosophy that applies there with regard to writing statutes. The net result is, as was admitted before the committee, that not even the tax officials in the Department of Finance really know what is meant by the text that parliamentarians are supposed to consider and pass.

Such is the system here that a tame government majority does as it is told. As George Bain said in *The Globe and Mail* of last Saturday, it almost makes you feel as though parliamentarians are nobodies. They are supposed to consider and pass legislation. We have a Government that presses for closure, allotted time. The past several years have been nothing but a scandal with regard to the allocation of time on income tax legislation. Not 5 per cent of the Government members understand what is being passed, and not many more elsewhere, because the language is so difficult. The Minister says this time he is going to remove a good deal of the verbiage and the requirements of that verbiage with regard to small business. We will see when the legislation is brought forward. It may be that the cure will be worse than the disease.

The Minister takes a bow toward farmers by introducing a very narrow amendment with regard to capital gains on the sale of farm land, allowing up to \$240,000 of increase in sale price over purchase and in capital improvements, providing the farmer—not within the farm family group, but the owner—operated the farm for ten years, so that that may be invested in the RRSP. An investment in an RRSP implies that there is a fair amount of cash to be invested in an appropriate plan. The 1971 rule will not apply, but we do not know how far that ceiling will be lifted.

How long are the payments to be allowed? I ask the Parliamentary Secretary because he has some knowledge of farm financing problems. Are the limitations going to be ten years on any mortgage or agreement of sale, or as the previous Budget provided? Thank God that was eliminated. The Department of Finance was wedded to limiting any credit contract, such as an agreement of sale or a mortgage, to five years. Whether the payments had been received or not, whether interest had been received or not, whether capital gains