

The Budget—Mr. Saltsman

You did a bad enough job running your own house, so don't give us instructions on what we are supposed to do.

• (3:20 p.m.)

I do not know what government members really thought about this thing, but the indications are that they are very pleased with themselves. In my view the government has made the worst political blunder of its career, and it will backfire. Members of the government have done two things. They have underestimated the intelligence of the Canadian people. They think that by throwing them a few goodies they can bribe them, that the Canadian people are all 12 years old. They are not all 12 years old, and they see through this scheme.

The other thing members of the government have done must be placed in its proper context. The search for tax reform goes back over nine years, to 1962 when the Diefenbaker government appointed the Carter Commission. There was an undercurrent of opinion throughout the country at that time. We realized we had a bad tax system that needed reform. During the intervening nine years a lot of the impetus for tax reform has been subdued. This resulted from the fact that at one stage the Carter Commission was sitting, and at another stage we had the white paper which the House of Commons was going to examine. Then, at a third stage, we had the committee report on the white paper. And while many people waited for the outcome, there was silence. But, Mr. Speaker, anyone in this country who had any feeling for tax reform, after Friday, must feel a personal sense of betrayal. Tax reform has gone down the drain, and those people will not be silent.

The very people we called in as advisers to the committee will not be silent. The hundreds of people who worked for Carter will not be silent. Some of them may go along with these proposals. There were some dissenting voices on the Carter Commission, but the vast majority who looked to the government for significant tax reform will have to start the struggle all over again. The Minister of Finance (Mr. Benson) has performed a great juggling act. But the balls he is throwing in the air are made of lead, and they are going to drop on his delicate toes because they cannot be kept in the air.

I understand, Mr. Speaker, that my time is running out, so I wonder if I may read my amendment. Therefore, I move—

Mr. Deputy Speaker: Order, please. The hon. member is correct. His time has just expired. I was just about to rise to my feet. I know hon. members will want to give the hon. member an opportunity to read his amendment.

Mr. Saltsman: Thank you, Mr. Speaker, and may I express my appreciation to hon. members. Therefore, I move, seconded by the hon. member for Winnipeg North Centre (Mr. Knowles):

That the amendment be amended (a) by deleting the words "other economic incentives to promote a dynamic expansion of the Canadian economy now troubled by rising inflation and high unemployment" and by substituting therefor the words "other measures specifically designed to reduce unemployment to less than 3%"; (b) by changing the words "its tax reform provisions"

[Mr. Saltsman.]

to the words "its tax changes"; and (c) by adding at the end of the proposed amendment the following words:

"and they do not provide for significant tax reform measures such as those outlined in the Report of the Royal Commission on Taxation, including full capital gains tax, the removal of special privileges to resource industries, equal tax treatment for wage and salary earners and self-employed persons, a system of tax credits rather than exemptions, and equal taxation on all sources of income."

Mr. Kaplan: On a point of order, Mr. Speaker—

Mr. Deputy Speaker: Order, please. If hon. members would permit the Chair just a moment to look at the amendment, then I will see the hon. member on his point of order. The hon. member for Don Valley (Mr. Kaplan).

Mr. Kaplan: I wonder if hon. members might permit me to ask, and the hon. member for Waterloo (Mr. Saltsman) to answer, a brief question?

Mr. Deputy Speaker: If the hon. member for Waterloo is to answer a question it would have to be with unanimous consent. Is there such unanimous consent?

Mr. Bell: No, Mr. Speaker. I think I should explain. This is a big and controversial budget. All hon. members must be given their exact time, no more and no less. If we make exceptions now, desirable as they may be at the moment, we will get into an awful mess later.

Mr. Saltsman: On the point of order—

Mr. Deputy Speaker: Order, please. There was no unanimous consent.

The initial inclination of the Chair would be to accept the subamendment. However, I have just some slight reservations with respect to the latter part of it where the hon. member for Waterloo has spelled out in some detail his reasons for not feeling that there are any significant tax reform measures. The only concern I have is whether or not his amendment goes beyond the four corners of the original amendment which, as I read it, contains a criticism that the budget's tax reform provisions fail to compensate for certain deficiencies. If hon. members would like to assist the Chair on that point, or on others if they wish to make them, I will be pleased to hear them.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, I appreciate your difficulty. I can only say it is the same difficulty we had when we were confronted with the lengthy amendment moved by the hon. member for Edmonton West (Mr. Lambert). However, we felt that there were points we were entitled to make provided we stayed within the rule of relevancy.

I gather that Your Honour has no quarrel with part (a) of our amendment which rewords the reference to unemployment. I also gather that you have no quarrel with part (b) of our amendment which changes the phrase "its tax reform provisions" to the more exact phrase "its tax changes." Now, when we come to part (c) I ask Your Honour to note that in the amendment moved by the hon. member for Edmonton West there are these words