

policy at the present time is set to maintain sustainable growth at declining rates of inflation.

● (1640)

Mr. Crosbie: Decline in the GNP, that is great growth!

Mr. MacEachen: The onset of the recession will not lead me to adopt the very massive tax cuts and the very massive expenditure proposals of the Leader of the New Democratic Party. The onset of the recession will not lead me to balloon up the deficit as he has prescribed this afternoon. On the other hand, the prescriptions of the Leader of the Opposition will not be followed either; that is, to follow a four-year program of deficit reduction regardless of the impact on growth, employment and jobs. It seems to me that what is required at the present time is a more moderate course—

Mr. Clark: Of doing nothing at all?

Mr. MacEachen: —a course that will continue until an energy program is put in place and it is possible to bring down a budget to address the total problems in the way we would all want.

Mr. Clark: This year, Allan?

Mr. Kempling: Don't hold your breath.

Mr. MacEachen: Finally, may I say a word about the amendment moved by the Leader of the Conservative party, an amendment which in its dishonesty is rather apparent. He refers to a plan—

Mr. Clark: Your plan.

An hon. Member: Ask Ian Stewart.

Mr. MacEachen: —to de-index the tax system.

Mr. Clark: It is on the record.

Mr. MacEachen: There is no such plan. The fact that the Leader of the Opposition puts it in a motion will give it no more dignity than the allegations made by the hon. member for Oshawa which were so severely castigated by the Leader of the Opposition because they appeared in the amendment last week.

Mr. Clark: Then you can vote for the amendment.

Hon. John C. Crosbie (St. John's West): Mr. Speaker, let me just deal with the point made by the Minister of Finance (Mr. MacEachen) that there is no plan to de-index the income tax. How can he say that after what he has said here in this House? I refer to *Hansard* for June 17, 1980, at page 2176, where the Minister of Finance, in his usual and obscure way, finally makes a definite statement about something. In response to a question put by the hon. member for Etobicoke Centre (Mr. Wilson), our critic on industry, trade and commerce, the Minister of Finance said this:

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But I would say that just recently the financial critic for the NDP, I believe just a moment ago, referred me to the institute on public policy, suggesting that I should read its publication for my instruction. I understand that that body, as one example, has recommended certain changes in the index system in order to deal with the current situation. I make that point simply to tell the hon. member that it is not something one ought to drive out of one's mind as being totally unworthy of consideration.

For that minister, this is a definite, explicit statement; it is not something one ought to drive out of one's mind as being totally unworthy of consideration. Our amendment says: "Mr. Minister, drive it out of your mind as being totally unworthy of consideration". That is the effect of our amendment.

Some hon. Members: Hear, hear!

Mr. Crosbie: The Minister of Finance went on to say this:

Even his colleague, the former minister of finance, told us that he had considered the proposal: that is what I am doing at the present time.

This is what the Minister of Finance said in this House on June 17, 1980. Today is June 25. He said that eight days ago and today he says there is no need for our amendment.

Mr. MacEachen: There was no plan. There never was a plan.

Mr. Crosbie: The minister said he is considering the proposal. This amendment says: "Mr. Minister, do not bother considering it any longer; do not put the blocks to the poor innocent taxpayers of Canada who voted for you on February 18, little knowing that you were going to de-index the income tax system so that you could put a crown of thorns around their brow without any notice to them if you got the chance." He certainly never campaigned on that proposition.

While I am on the point of de-indexing, let me give some impartial opinions. Dian Cohen, not known to be a great supporter of our party, wrote in the *Ottawa Citizen* on Monday, June 9, 1980:

The recent Liberal suggestions concerning income tax increases and the end of indexing are at best cowardly, at worst despicable and dishonest.

So we ask government members to support our amendment so that the minister will not go forth with this cowardly, despicable and dishonest matter that he is now considering, which he admitted himself on June 17 he is considering. I tell him to get it out of his mind.

Further on in the article written by Dian Cohen, she says, that it "goes against the grain of everything that is honest and fair". Where are the honest and fair fighters that we had on the other side when we were in office for some short period of time? Where is the Minister of Industry, Trade and Commerce (Mr. Gray)? One would have thought he would have growled his way from Ottawa to Vancouver fighting this proposal if we had listened to what he said when he was in opposition last fall. Where is he?

What did Mr. John Bossons, a professor at the University of Toronto, say? He said this:

It would hit low-income people the hardest. It would hit them even harder next year and harder yet the year after that.