

### *Income Tax*

not have a national forest policy. That was the minister's statement. We have been hearing the same statements from ministers ad nauseam and ad infinitum since 1974.

How is the forest industry affected by the tax policies or the failure of this government to have any policies? For one thing we see the Department of Regional Economic Expansion getting into the ball game and periodically funding the forest industry in one place or another. For example, not too long ago it funded a firm in my own riding, Salmo Forest Products, Salmo. It is reported that DREE provided some \$300,000 in order to provide more job opportunities for Canadians, the residents of that small community of Salmo. What have we seen as a result? We have seen that same American owned saw mill sending its lumber across the line to the United States to be finished, laying off some 20 or 30 Canadian employees in order to hire on 20 or 30 United States employees, not to mention the 12 or so truck drivers they will require to haul the lumber down to the United States. Where is the policy of this government in regard to that type of rip-off? Is there any value in an American owned operation demonstrating this type of irresponsibility? I do not care whether it is American, Canadian, or German owned. Can anyone here convince me that 42 American employees are the equivalent of some 20 or 30 Canadians who will be laid off?

This government, with its tax policies and its lack of a forest policy, inflicts this kind of problem on the small average worker in Canadian society. The saw mills may be excused in part. I am not referring to this one, but some of them may be excused for the shipment of their goods by CP or CN rail because the charges that are levied are on the basis of a full box car. In the United States that kind of shipment does not apply. Frankly, the entrepreneurs in the forest industry in the western United States, for example in Washington, Oregon, Montana and Idaho, have everything going for them in terms of transportation benefits to move their goods to U.S. and foreign markets. It is not so in Canada.

Every effort is made to make it tougher for Canadians to do business in Canada in terms of the forest industry. The plywood industry is in the same position. The pulp and paper industry is in the same position. So, I say to you, Mr. Speaker, that this government, by demonstrating its irresponsibility by funding a U.S. firm—and I do not care whether it is lumber, mining or what it is—is denying jobs to Canadians and is not living up to the role it is supposed to play in terms of DREE.

Further, in terms of DREE, we heard the rumour today, vehemently denied by the minister, that the government and the cabinet are concerned about the fate of DREE because it is not getting enough PR Assistance to an industry or to a particular project from DREE is not getting enough mileage in terms of public relations for the federal government. The reported source comes from within DREE itself. I suppose where there is smoke, there is fire. I would say the government has cause for concern in terms of its PR with DREE because much has been a failure, much has been mismanaged and has been in the wrong direction, without the right ideas.

[Mr. Brisco.]

I cannot see the Maritimes accepting the proposal that DREE should go down the tube so that this government and its cabinet can pork barrel in the Maritimes or where else it pleases. I would think that that proposal would be totally unacceptable to any hon. member from the maritimes, be he Liberal, Conservative or NDP.

● (2132)

One of the other concerns I have with reference to the tax legislation the government is introducing has to do with the lack of an industrial strategy that this government demonstrates. We talk about a billion dollars which it has been proposed will be spent on industry in some fashion. The guidelines have not been spelled out. We really do not know in what way that money that money is going to be handed out. Would it not have been much more acceptable to Canadians and to thinking members of parliament if such a proposed expenditure were wrapped around a clear and distinct policy and strategy of industrial development? Clearly that type of thing does not exist.

I draw the attention of the House to page seven of the bill, and I note that reference is made there to a proposed amendment which reads:

That for the 1977 and subsequent taxation years, a grant received under the Canadian Home Insulation Program be included in the income of the recipient or, in the case of a married individual residing with his spouse, in the income of the spouse with the higher income.

We have heard the eloquent speeches of the Minister of Energy, Mines and Resources (Mr. Gillespie), of the Minister of State for Urban Affairs (Mr. Ouellet), and of the Minister of National Health and Welfare (Miss Bégin) who, on October 26 in response to a question by the hon. member for Halton (Mr. Philbrook) said, and I quote from page 290 of *Hansard*:

Mr. Speaker, I can assure the hon. member and the House that the grants for insulating homes will not be considered additional income or assets to old age pensioners and will therefore not interfere with the receipt of supplementary benefits.

I can recall that that announcement was greeted with desk thumping responses on both sides of the House, but now we see this little clause on page 7 sneaked into Bill C-11, a massive bill of some 250 pages, in the fond hope that nobody will pick it up. What kind of shell game is the government playing with the senior citizens of Canada?

The insulation program is a good program, but its management has to be the most inept, bungling mess I have ever had the misfortune to come across. When a member of parliament cannot get from the department responsible for the management of this program, located in the city of Montreal, more than one copy of the program unless he writes a second letter for a second copy, or a third letter for a third copy, there has to be something wrong. My constituency office was assailed with phone calls from people who wanted to participate in what they thought and I thought—and still believe—is a good program, but in terms of efficiency and organization, what a bloody disaster!