

*The Budget—Mr. Rynard*

world he does not repeal this tax. Why in the world did he say that we have to wait until the Food and Drug committee brings in this recommendation? Why this shilly-shallying on a thing like this?

• (4:10 p.m.)

If the minister wants a precedent he has one in what the Prime Minister (Mr. Pearson) did. The Prime Minister did not wait for the report of the B and B commission on the French-English situation. He announced in the house that the fellow who knows French and English is 10 per cent better, or some such figure, than the Frenchman who does not know English or the Englishman who does not know French, no matter how well educated they are. He did not wait for the report of that commission which has cost us over \$4 million to date, one of the most costly commissions in the history of this country. I ask the minister to take another look at this matter. As I say, the Prime Minister did not wait for the B. and B. commission to bring in a report with which some French and some English will not agree or some other Canadians may not agree.

We are all in agreement that this is a tax on the people who are least able to pay. How in the world, in all conscience, can this government bring in medicare in 1967 when they are going to tax the very people they are trying to help? If this is not hypocrisy at its worst, I have never seen it.

**Mr. Sharp:** May I ask the hon. gentleman a question? I find myself in sympathy with a good deal of what he is saying on this occasion. I ask why these considerations did not weigh more heavily on the Conservative administration when it was in office? My main purpose in making the statement which I made was to be sure that the maximum benefit would be available to the people when this tax is removed.

**Mr. Rynard:** The only thing I can say is that the Conservatives had the red carpet rolled out for the present government. Things were on the move but it is natural that there may have been flaws in that red carpet. After all is said and done, the taxes were not as high then. You have increased them. I am not saying that the Conservatives should not have repealed it. If the minister will read my speeches, he will find that I advocated this procedure when the Conservatives were in power. The Liberals have been in power for over three years. What have you done?

[Mr. Rynard.]

We have been through two elections in which you said you were going to help these people. You are introducing medicare. We were not introducing medicare at that time, but the Minister of National Health and Welfare (Mr. MacEachen) says you are introducing it. However, you are keeping the 11 per cent sales tax on drugs and you are taxing the very people you are trying to help. I do ask the minister to introduce an amendment to change this. I know that at heart he is a sympathetic fellow. It would be one of the most pleasing things we could do in this house so far as both sides are concerned, Liberals and Conservatives. I have many friends on the other side of the house. I see one smiling now, and he is in perfect agreement. The minister would make friends with all of us if he did this. Why does the cabinet shuffle around, as it does, on a point like this instead of removing the tax forthwith?

I cannot see for the life of me, Mr. Speaker, why a smart man like the Minister of Finance would impose a 5 per cent tax on industry and at the same time give incentives to industries in depressed areas of the country. He imposes a 5 per cent tax, the proceeds of which he is going to withhold for 18 or 24 months. The only reason I can see for this procedure is that the minister is really a fairly sharp businessman. He knows he is going to get this money from industry for nothing. He knows that with the present rate of erosion the money he pays back will be worth only 92 cents on the dollar. I am wondering whether this procedure is going to hold back industry. How can they change plans which are made for years ahead? It does not make any sense to me.

I should like to see more done in Canada to attract research scientists. Above all, this would keep our young Canadians whom we have educated in our universities in research jobs in Canada. It would give them an income and give them an incentive to work. They will be driving continually to put Canada in the front line. People will be coming here for post-graduate work, and we will be attracting scientists from other places. The skills of these young people will bring about new products, new drugs, to make this country wealthy. Let us not keep sliding into the arms of the United States, good neighbours as they are. Let us quit drifting. We cannot afford it any longer.

I ask the minister to take a look at these things. I hope I have not made it too difficult for him, but I do feel very keenly about these