

● (1250)

An Hon. Member: That's not Ronnie Reagan. That's not what Ronald Reagan did.

Mr. Deans: What Ronald Reagan did not do either, incidentally, is pursue the policy of this Government of taxing more heavily in order to hand money out. Whatever his policy turned out to be, it was neither what I was proposing nor what this Government has done. I think that is a fair comment. I am offended by the fact that the Hon. Parliamentary Secretary would compare me to the Member for York Peel (Mr. Stevens).

An Hon. Member: You have more hair.

Mr. Deans: I would like to put to you that, aside from the obvious physical differences, to make a comparison is absolutely outrageous and stupid. Do you know what I would have done on the other question of Massey? I would have stimulated the opportunity for the farming community to replace the worn-out and obsolete machinery that they had in order that they could purchase it from Canadian manufacturers like Massey and the workers could have gone back to work. It I were going to spend money, that is where I would have spent it.

Mr. Evans: Mr. Speaker, I do not have a great deal of disagreement with the Hon. Member for Hamilton Mountain. We have spoken on a number of fora about tax matters. I find that every time he speaks he gets closer and closer to the position that I have taken. I find that interesting. The essence of what is known as the trickle-down theory which the NDP railed about and said was a terrible theory was that you cut taxes and put more money in the hands of the people so that they can spend, save and invest as they will. The benefits from that tax cut flowing through the system would create jobs, employment and income for others. That is what is known as the trickle-down theory.

Mr. Deans: No, it is not.

Mr. Evans: That is supply side economics, Mr. Speaker, of the purest form. The Member for Hamilton Mountain has for the first time espoused the supply side theory of economics and the trickle-down theory of how the economy works as the policy of the New Democratic Party. Welcome to the real world.

Mr. Deans: I will be brief. I cannot believe this, it is incredible. The trickle-down theory, my friend, is a Conservative theory which says that if you relieve the burden on the higher income earners there will a trickle down of benefit to those at the bottom. The Member and his Government are doing the opposite. They are taxing more heavily those at the bottom end of the income scale and increasing taxes right across the board in order to provide money to safeguard the investment income of the investors. That is what you are doing. Quite clearly, that is counter to every common-sense,

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intelligent move that might be suggested by anyone with any knowledge.

Mr. Deans: I am suggesting to the Hon. Member that if you want to cut through all the rhetoric you must reduce taxes for average Canadian families. You do not increase them as this Bill is doing. In the process of reducing the tax burden you enable those families to purchase the products manufactured in Canada. In the process of that you create employment. Tell me where that is wrong.

Mr. Evans: I do not tell you it is wrong.

Mr. Deans: Then why are you arguing?

Mr. Fisher: Mr. Speaker, I would like to continue this most provocative discussion with this marvellous proponent of Reagan politics in Canada. I would like to continue by asking him what he would do in the period of time between the tax relief that he is going to provide for his consumers and the time when workers need their jobs. There is a gap between the time when we stimulate farmers through the tax system and the time when they are going to place orders and start to have an impact with various companies. What does the Hon. Member suggest the Government should do during that time? Should we simply wait until the trickle down occurs and then allow people to line up in soup lines and so on? This is the kind of thing we hear from south of the border. I am wondering if we are now hearing it from Hamilton Mountain as well.

Mr. Deans: I have had to change my jacket in order to try to get away from this Reaganomics threat that they seem to be imposing upon me. For God's sake, do not try to interpret the internal works of the book by the cover that is on it. I want to make it clear that the policy being pursued by the Government in every single aspect as it applies to average income earners in Canada increases their tax burden. To increase the tax burden at this point in time is foolish. If the Government continues down the road that it has chosen, there will be a further erosion of consumer purchasing power, the end result of which must inevitably be that our manufacturing sector, not having the markets available to them, will ultimately fail. The Government's pursuit of this in an ideological, blind way is absolutely ridiculous.

Some Hon. Members: Hear, hear!

Mr. McLean: Mr. Speaker, I wonder if I might invite the Chair to consider calling it one o'clock?

The Acting Speaker (Mr. Blaker): It is quite understandable that the Hon. Member would prefer to begin and end his speech rather than have an interruption over the luncheon break.

Accordingly, it being one o'clock I do now leave the Chair until two o'clock this afternoon.

At 1 p.m. the House took recess.