

The Budget

proposed changes, and he has done this in many of the changes proposed here today. He was too lazy to consider the impact of certain parts of the budget on people and companies in the country. Just to underline that point let me refer to a letter given to me by the hon. member for Calgary West (Mr. Hawkes). The letter says that on November 27 the minister promised a study dealing with indirect taxes and their impact on senior citizens. Just today he responded to the hon. member for Calgary West saying that still no study has been done on the impact on those people in our country. I see the Prime Minister is leaving. I suppose this is too much for him. The embarrassment is too much for the Prime Minister.

The budget itself displayed an incredible lack of understanding of the tax system of the country, the budget's impact on business and its effect on capital formation. The minister should resign because of incompetence and incompetence alone.

Some hon. Members: Hear, hear!

Mr. Wilson: Mr. Speaker, let me refer you to Standing Order 35, which says:

No member may reflect upon any vote of the House, except for the purpose of moving that such vote be rescinded.

I believe that the extent of these changes is sufficient to draw into question the vote taken in the House on the budget. I noted that the minister did not move that that vote be rescinded, and I ask Your Honour to put that question to the minister, because 17 items have been changed by this statement today. More than 17 resolutions are affected. These have all been voted upon in the House. They are now subject to change. Major revisions to the budget are necessary. In addition, in the statement he has just read, the minister has said he is considering referring several other matters to committee. Some of these matters are corporate organizations, charitable foundations, taxation of life insurance and work in progress. I contend that this constitutes a major substantive revision to the budget and is thereby a reflection on a vote already taken in the House on the budget. Therefore, it falls squarely within the purview of Standing Order 35. I say to you, Mr. Speaker, that the minister should move that that vote be rescinded.

The minister should also resign because he has departed from a very sound principle of introducing tax changes of this magnitude not by way of a white paper but through the budget. This was a major fault of the budget. It is something which should have been done differently. It should have been done in the way it has been done in the past, which is the fair and democratic way of doing it.

This budget introduces fundamental changes to the incentives system, to the investment system and to the nature of capital formation. As a result, there are significant changes in the way people will conduct their business activities, and the minister has the audacity to call those incentives he has changed loopholes and to make those people who took advantage of those incentives offered to them by previous governments to feel dirty. That is the deceit of that budget of November 12, and that has not changed as a result of the

statement today. The minister should have used a white paper. I think he knows it. I think he understands that now because of the fact that he is proposing to introduce five items of the budget to a parliamentary committee, but I suggest to him that he should withdraw those completely from the budget, present them in a white paper and then let us have a look at them in committee.

The budget was not just to hit the rich. It affects three quarters of Canadians through dental care and health care programs and through employee benefit programs. It affects farmers, small businessmen, high technology companies and small oil, gas, and mining companies. These are not big companies. These are small and medium-sized companies. The big companies are not affected by this budget. It hardly touches them at all. Smaller companies, Canadian-owned companies and individuals are directly affected by this budget. That is why the minister's approach is wrong. This backtracking today is not good enough. It is not good enough to bring this in at four o'clock on the last day of sitting before Christmas.

Let us look at the substantive nature of these changes. There are some improvements; I have to agree with the minister when he says that. He has taken a step in the right direction. He has listened, but how could he help but listen? Some of the major deficiencies in this budget remain, and we will be attacking them further when we get back to the Committee of the Whole on the ways and means motions. We will also be hearing representations from Canadians from across the country on the nature of the impact of the budget through a Progressive Conservative special committee on the budget which will be sitting during the Christmas recess.

Some hon. Members: Hear, hear!

Mr. Wilson: What we have here today is a series of 17 changes. On the question of reserves, the minister recognizes that, in his words, there is hardship and disruption as a result of the changes. Pre-budget there was unlimited provision for reserves. Under the proposal set out today, they are limited to three years. That is insufficient for farmers and other businessmen who are selling assets they have nurtured all their lives and assets which are to be their pension funds and their source of income during their retirement.

With respect to capital cost allowances, the minister again has noted the impact of the budget as being disruptive and needing an orderly transition, but there is no change which will affect transactions entered into after November 12. For those transactions which are short term in nature, there will be no relief as a result of today's statement, and for the minister to compound the problems he created on November 12 when he cut the capital cost allowance in half when he knows that now the recession is deeper than it was and deeper than he knew on November 12, I say is criminal.

Mr. Deputy Speaker: Order, please. The Chair has a problem at this point in connection with Standing Order 15(3), which provides: