

*Income Tax Act*

**Mr. Forrestall:** That is what is happening.

**Mr. Stanfield:** We fought the white paper from the start, Mr. Speaker. We are fighting this bill in part for the same reasons, but in part because not one of those members over there who are making so much noise right now and nobody in this House, understands what is in this bill. Indeed, few people, if any, in the whole country understand this bill. We are fighting it because it is a confusing piece of legislation which, far from clearing up the tax jungle, only makes it deeper and darker than before. We are fighting it, too, because in many cases it is unjust. It is true that the government made some eleventh hour changes with regard to co-operatives and credit unions, but would those have been made if the bill had not been fought by the opposition parties? When the government House leader announced his intention to impose closure he also announced that amendments to this bill would be introduced.

There are still other injustices, Sir, such as the injustices to farmers which the amendment moved by the hon. member for Edmonton West is intended to correct. There are also injustices to small businessmen and others. We are fighting this bill because regardless of how the minister preens, there has been no agreement or understanding with the provinces on how the Canadian taxpayer is going to be taxed by both levels of government. There is still confusion on how the provincial structures will fit in with the proposed federal structure, if I may refer to this bill in such a euphemistic way. The province of Ontario has its own corporate income tax, and the province of Quebec has its own corporate and personal income tax, while the province of Nova Scotia has a collection agreement and has gone along with federal taxation.

**Mr. Mahoney:** So has Ontario.

**Mr. Stanfield:** So has Ontario with regard to personal income tax but not with regard to corporation tax, Mr. Speaker. We are being asked to allow this government to run this bill through the House with no assurance at all—

**An hon. Member:** After three months.

**Mr. Stanfield:**—on what the Canadian taxpayer will have to face. While this may be personally satisfactory to the Parliamentary Secretary to the Minister of Finance, it is not satisfactory to me nor will it be satisfactory to the Canadian taxpayer.

**Mr. Baldwin:** Nor to his constituents.

**Mr. Stanfield:** There is still confusion as to estate taxes and succession duties. I think it is agreed that if we are to have a capital gains tax, there must be adjustments in estate taxes and succession duties. The Minister of Finance has simply left this to the provinces. There has been no understanding reached concerning what the government is to have in the way of succession duties on top of the capital gains tax proposed in this bill. Yet, that does not slow down this government at all in its effort to ram this bill through the House, again leaving the taxpayers confused and in a tax jungle.

• (3:40 p.m.)

**An hon. Member:** Read the bill. You never read it.

**Mr. Forrestall:** Read the Magna Carter over again.

**Mr. Osler:** How long would you wait for the provinces to agree?

**Mr. Stanfield:** Mr. Speaker, the hon. member asks how long I would wait. If I were the Minister of Finance of this country and wanted to introduce a capital gains tax, recognizing that the capital gains tax and the succession duties were to be integrated, I would at least try to achieve that result and would not use closure to force it through the House.

Furthermore we oppose this bill because much of it is at best irrelevant to the current problems in Canada. While the government has been taking up the time of the House in past months, what has it outlined to curb unemployment and straighten out our trade relations with other countries?

**Mr. Hees:** Nothing.

**Mr. Stanfield:** That is right. The hon. member for Prince Edward-Hastings correctly said "nothing". Judging from the performance of the Secretary of State for External Affairs (Mr. Sharp) when he was questioned about the attitude of Canada toward working out a solution of the so-called surtax problem, the government has not only not done anything but apparently is not very much aware of what is going on. While the government is taking the time of this House week after week after week with this bill, what does it have to say about a strategy for economic development which is so crucial to our country? Once again the answer is clear—nothing positive. We are fighting the bill because the best thing that can be said about it is that much of it is irrelevant to our current Canadian political priorities and economic priorities.

I am afraid that much worse than that will have to be said about the bill. It will constitute a dangerous curb on Canadian initiative and on the incentives which stimulate economic growth. We are continuing to oppose the bill on third reading because we have heard nothing during the debate so far that would make us change our minds about the serious drawbacks in it. On the contrary, the political act in which the government has indulged in bringing in closure has convinced me more than ever that we were right to insist upon debating this bill thoroughly and are right now, since the debate has been cut off or limited, in opposing the bill, particularly since the government and its supporters insist on ramming through a bill which not one of them even pretends to understand. As will be clear, I do not always agree with hon. members opposite, but I must say that the hon. member for York North (Mr. Danson) seemed to express our attitude pretty well over the weekend—at least as he was reported in the press. I say that advisedly because I do not want to attribute something to him that the press may or may not have reported accurately.

When the hon. member for York North says that this bill is not tax reform at all, I believe we all agree. When he was reported to have said that there is no way in which you can have a reasonable tax payment if you do not know what your economic goals are, I agree with that, too. Then he went on to say that the government has no economic goals—that statement is attributed to him by the press—and that it was supplying piecemeal tax legislation, a piecemeal approach to the Competition Act and pre-