

to the clauses and the many changes that were introduced, mostly concerning a greater degree of equity, whether we are talking about appeals or whatever, and that are now included in the bill. I suggest that the government did approve these many changes because it did listen to people and to our colleagues, both in the House of Commons and in the pre-study stage of the bill here in the Senate. Tomorrow we will listen further and we will hear what these people have to say about this bill.

● (1610)

It is not quite fair to say that we merely professed the intention of listening to people; we did listen to people—at least the members in the other place and the government listened to people, and I am glad that they did.

[*Translation*]

The Leader of the Opposition in the Senate referred to the problem that will arise for those working in the prefab sector. Well, we have heard that the problems were mainly a matter of administration and procedure, problems that were difficult to solve both for Revenue Canada and the business community. It is the best solution we have found up to now. If I understand correctly, the government is still examining the problem and will try to find a way to solve it.

I know that in 1963, the government was aware of the problem. (I do not know whether Senator MacEachen was Minister of Finance at the time). After he brought his budget down, he tried to provide some relief in the case of fixed price contracts. But there again, the method for determining what was taxable and what was not, and what was refundable, was extremely complicated, both for Revenue Canada and the business community. That is why the government has not been able to do more in this area.

When Senator MacEachen talks about energy conservation, deep down inside he realizes it would be politically profitable to mention the new tax in that sector. I think however he must admit that the problem is not quite as serious now as it was a few years ago. Perhaps at one time or another there was justification for exempting those products or taxing them at lower rates, but the current situation does not call for anything quite like that now.

Along with my colleagues, I will certainly attend tomorrow's sitting of the Committee on National Finance, and it will be interesting to hear what the Association of Chartered Accountants has to say. I dare hope that the evidence of the Association of Chartered Accountants will be rather challenging. If an amendment is to be introduced, and I hope not, it will not be because we have listened only to lawyers and accountants. I hope nobody will blame us for listening only to professionals, while in fact we did listen to the people before drafting the bill.

Senator MacEachen said that closure was imposed in the House after only three days of debate. I would suggest that those who resorted to—not invented—that method on several occasions are not on this side of the House. The Conservative government did not invent the guillotine. It has been used a lot

[Senator Simard.]

of times; it was almost common practice in the other place a few years ago when Senator MacEachen was there, but I do not hold that against him.

In addition, Senator MacEachen spent the better part of ten minutes telling us all about Mr. Frazee's comments and concerns. I am duly impressed by Mr. Frazee's comments and advice, but I am just as anxious to hear what others have to say. I think that in the past the government has shown that it did not listen only to bankers, the lead actors on the national or international economic scene.

I am not really afraid, I am not the least worried about the fact that the government might give more consideration to Mr. Frazee's advice, namely the cut-backs he would like to see in social programs. I should think that the government will be able to make a judicious choice among the many recommendations it gets from ordinary Canadians, small businessmen or bankers generally.

Senator MacEachen tells us that confidence does not appear to have been restored. He points the finger at us, he blames us for the dollar crisis and its direct impact on interest rates. He also reminds us of the problems which plague the oil industry. I hope that for a while the government can continue and reach its economic goal. Honourable senators, I am aware that this is not enough and will probably never satisfy Senator MacEachen, a former minister of finance in another government.

I suggest that recent statistical data indicate a clear improvement in the areas of job creation, as well as unemployment and inflation levels. I recognize that a problem still exists. Positive indicators, however, seem to herald better days. I am willing to wait. I truly rely on the government's strategy. It could not be any worse than before 1984, anyway. I remember the time when we had four budgets a year. I could not say whether the Minister of Finance of the time yielded under pressure from Mr. Frazee or anybody else, but he had not much of a choice. In the end, it did not result in any major economic or political success.

● (1620)

In this connexion, I should like to repeat that my colleagues and I fully support the government's economic plan. I urge my honourable friends opposite to wait a few months or years and see. I suggest Canadians are ready to trust this government. Some would like to plead in favour of or protect all those Canadians who do not want to pay any taxes. They came forward last year when the government tried to make changes to the Family Allowance and Old Age Security Pension programs. When we dealt with the green paper on financial institutions and the resulting bill—Bill C-80 I think it was—to impose a minimum tax on banking institutions, some of our friends opposite, after having successfully defended students, as well as people on social welfare and family allowances, etc. felt the need to defend in turn the Royal Bank and the Bank of Montreal, as though the current problem was to continue forever without our ever trying to solve it. I suggest that the government's social programs are responsible and within our means. I urge my honourable friends opposite to give the government a break. I know that Canadians are mature