

Supplementary Borrowing Authority

The question of benefits to Canada should be the primary issue in the FIRA debate. When our new Minister of Finance says he will not make any changes in FIRA to please the Americans, I submit that he is missing the point. He should be revamping FIRA to benefit Canadians. Any unemployed Canadian put back to work tomorrow by American capital, by German marks, French francs, the yen, the pound or the kwacha, will have no trouble telling the Minister of Finance how to define what is of significant benefit to the Canadian economy.

The mismanagement of our economy is taking its toll, not only on our Canadian corporations but also on the individual social fabric of the nation. Our people are hurting and they are hurting badly. In its excessive demand for taxes, the Government is destroying not only our individual ambition and initiative but also the very homes of our people, the rock on which our nation has been built.

In Nova Scotia many citizens, our farmers and our fishermen, are in arrears in their payment of income taxes, many of them through no fault of their own. Despite their pleas for an extension of time in which to pay back taxes, the Government has cracked down hard on our fishermen. For example, it is demanding 20 per cent for 1982 taxes and 40 per cent for back taxes of all fishermen's shares in a year when fishing is at an economically low ebb. It is demanding immediate payment for back taxes from Nova Scotia farmers as well.

I wish to place on the record one letter out of many letters and telephone calls I have received which adequately describes the economic situation of many of my constituents. It is dated May 25, 1982 and reads as follows:

Dear Mr. Crouse,

I don't know if you can help us do anything about our situation or not but it won't hurt me to find out.

My husband and I bought a new house about three years ago, with every intention of paying for it. Starting last fall there was so much income tax taken off John's pay that we lost our car. We did without oil all last winter because we couldn't afford to buy it. Now the government is taking two years income tax off John's pay. They are taking off for the present and the past year.

On April 24 his pay was \$1965.35 and he came home with \$510.22 and on May 12 his pay was \$1965.39 and he came home with \$598.76. The scallop draggers are only making one trip a month.

Our house payments are over four hundred dollars a month. How can we make our house payments. I am looking for a job since before Christmas but there isn't much available. In fact I can't find anything. I don't know what to do or where to turn but I sure hate the thoughts of losing our home.

I know the income tax must be paid but why so much at a time. We should be able to have enough of my husband's hard earned pay to live on. I guess the lucky (people)? are the ones selling dope and living income tax free. I have no dreams left, just nightmares.

That letter is on file, of course, in the Minister's office. I will not reveal the writer's name because I do not want to cause her any embarrassment. It is typical of hundreds of letters that I have received and all of them have been forwarded to the Minister's office with a plea to review the situation.

I submit that this situation has reached epidemic proportions in Atlantic Canada, so much so that I am informed it became absolutely necessary for the Right Hon. Prime Minister to move the portfolio of National Revenue out of Newfoundland. Before leaving the portfolio, I understand that the former Minister appointed a Mr. Bill Rowe as a special

investigator to look into the tax problems of the Newfoundland fishermen. As a result of this investigation, third party demand was reduced from 50 per cent to 25 per cent, except for cases in which this would result in a level of payments too small to keep up with the interest owing.

In addition, no homes, no property, boats or other assets used in the fisheries will be seized. Any future taxable income paid to the fishermen by Government will be followed up by T4 slips. This will clear up the confusion among the fishermen that resulted from the payment of a federal groundfish grant, or subsidy, during the late 1970s. Many fishermen did not realize that this grant or subsidy was taxable, since no T4 slips were issued by the Government, and then suddenly found, several years later, that they had to report how much was paid to them.

To the best of my knowledge the steps I have outlined have been applicable only to Newfoundland, even though I have written to the Minister on numerous occasions about similar problems among Nova Scotia fishermen. This leads me to ask the Government why there is a double standard and why the fishermen of Nova Scotia have been harangued, bullied and threatened when faced with income tax problems similar to those that occur in Newfoundland. These people are not trying to avoid the payment of their income tax; they know that they owe it. What they are pleading for is a little more time in which to meet the payments since the very resource industry upon which their livelihood is based has declined in this particular year.

The Government is guilty of complete insensitivity to the situation that is faced by Nova Scotia fishermen as well as by Nova Scotia farmers, whose plight I have documented in letters to the Minister as well.

We now have a new Minister of National Revenue (Mr. Bussières), who is the Hon. Member for Charlesbourg. I would enter a plea to him to give the same consideration to the farmers and fishermen in Nova Scotia who are in arrears with his Department as has been recently given to the fishermen of Newfoundland.

● (1230)

The new Minister of Finance is concerned with job creation, and for justifiable reasons. In his budget address the Minister stated that \$1.4 billion was allocated this year for employment programs and to help those who are recently unemployed; a new Employment Expansion and Development Program is being put in place. This leads me to ask why the Government requires such a large and expensive bureaucracy to inform it about the proper job-creation programs it should establish. What hypocrisy! There is not a Member of Parliament in this House who could not, if requested, provide the Government with a number of worth-while projects which, if implemented, would provide jobs and assist in providing more jobs when completed.