

*Income Tax Act*

what similarity there is between that list and this list. I am inclined to think they may be a whole lot closer than you and I would wish them to be.

I have referred to the area extending from Drumheller east to the border, an area that has certainly had the slowest economic growth of any part of the province of Alberta, an area which has had a slow population growth in comparison with any other part of Canada. Certainly this area should be considered as a designated area from the point of view of offering incentives to industry to establish there.

We look at another clause in the bill concerning lease rental and lease option arrangements. The minister says he wants to plug these loopholes. The plugging of the loophole he is trying to plug in this particular case will do nothing to provide opportunities for Canadians. It will do nothing to provide jobs for Canadians. All we have to do is to go out across the country and look at the situation. Contractors make their bids on jobs and if they get a contract they are prepared to go out and rent the equipment to do the job, in the hope that in many cases the rent can be applied against the purchase price of the equipment if they should desire to purchase.

But the minister says: Oh, no, this is a loophole we are going to plug. Certainly it may be abused in many cases; but I should like to see a piece of legislation that has been passed by this house that somebody will not abuse. If there ever was such a piece of legislation it would put us in a strait-jacket so that not one of us could do anything. That is just about an impossibility. While to some people there may appear to be a loophole, it is still a great aid to contractors throughout the country in making their bids on and taking jobs that are perhaps a little larger than their present equipment allows them to take.

It is interesting to note that on the one hand the Minister of Finance is trying to control the rental of equipment by agreement. Actually he is not going to be too successful in doing this because contractors will get around the provisions. They will buy the equipment. All they will have to do is to buy the equipment in the year in which they rent it and this will defeat the minister's objective in including this clause.

It is interesting to note his action with regard to rental agreements on machinery generally, including farm machinery. It is interesting to note his observations in this regard and those of the Minister of Agriculture. The Minister of Agriculture said in a speech not long ago that one of the main problems of farmers today is the high cost of farm machinery. He went on to say that he thought rental depots should be set up

across the country so that farmers could rent their equipment for a given job rather than buying it.

Again we have two ministers with somewhat conflicting ideas on a given subject. It is not the first time we have seen two ministers in the same spot. I can remember the Minister of Labour offering \$500 for new home construction and the Minister of Finance taking away \$800 through the sales tax. Whether the same thing will apply in this instance I do not know. As a farmer, if I want to rent machinery to do a job I want to have the opportunity to let the rent apply on the purchase price of the machine if I decide to buy the machine. I see nothing wrong with that. I think it is a good thing. I think if a person has to put out half the price of a machine in rent he should be able to allow that rent to apply as the down payment on the machine, if he decides to buy it. There is nothing wrong with that.

The loophole that the minister is trying to plug in this regard will still exist. He will not be successful in plugging it. He will just make it more difficult for contractors, farmers and all those who wish to rent equipment rather than buy it for the purpose of taking on any job or contract they may be bidding on. In fact, if the minister plugs all the loopholes he is trying to plug, even if it were feasible to plug them all it would not increase the general revenue of the country to any great extent. It would increase it by far less than 1 per cent of the deficit the government is going to have this year, and certainly it is going to be a large one. We are all well aware of that.

Actually the minister issued a grave warning that Canada's political destiny is at stake. He issued this warning in his initial speech in introducing Bill No. C-95. Canada's sovereignty is at stake if the present cabinet does not take a stand on many issues with which it is confronted involving labour, wheat sales, finance, nuclear weapons, and so on down the line. Certainly job opportunities must be provided for Canadians. In my opinion Bill No. C-95 does not measure up to the need for greater resource development in Canada. At best Bill No. C-95 does nothing more than legalize patronage. I suggest that is what is happening in the naming of these depressed areas. It is nothing more than legalized patronage. It is nothing more than a continuance of the Liberal party plan—more bureaucracy, more socialism, more patronage.

Canadians want none of these things. Canadians want a more simplified income tax form, more opportunity and a chance to share in the commercial growth and development of the resources of Canada. I am disappointed with Bill No. C-95. It does not do the things