

*Income Tax Act*

**Mr. Deans:**—rather than tax them more heavily as this Government is doing and then pass on to the corporations who do not have a market for their products the money necessary to safeguard their investment.

The Government is pursuing a policy which is doomed to failure, because even if you provide tax credits or direct relief to corporations for the purpose of improving their productivity, in the final analysis the only thing that will improve the economic condition of those companies will be if there is a market for their product. You are not going to improve the purchasing capacity of individual Canadian families by increasing their tax burden. The more we take from Canadians in taxes, the less they have to purchase those goods and services that they and other Canadians across this land produce.

I suggest this Bill continues the trend down the slippery slope, that it puts the emphasis in the wrong place. That clearly distinguishes the Government's position from the position we would take. I admit, Mr. Speaker, that this position and the Tory position may well be somewhat at odds in certain specific areas. But the fact of the matter is that between the two of them they are pursuing similar policy objectives.

**Mr. Nystrom:** Same Party.

**Mr. Deans:** In my opinion, those policy objectives are absolutely doomed. They are guaranteed to fail. If I understand the Hon. Member for Ottawa Centre correctly, he agrees with me and therefore, while we have begun the process, we must increase our efforts to try to change the direction we are currently taking. That is not going to be done by adding to the tax burden of the lower income group. These amendments in fact do just that by eliminating such things as the \$100 deductible. It is not a lot of money, I admit, but \$100 per family across the country adds up to a substantial sum.

**Mr. Evans:** If they make the contribution, they can still take the deduction.

**Mr. Deans:** Up until now that was not the requirement. Therefore, the money was used in the economy and you are taking money out of the economy now.

To summarize, Mr. Speaker, the general direction of the Government is wrong and has been wrong for some time. There are certain things which must be looked at very seriously. There is the question of how to get construction workers to work in remote areas, or even less remote but away from home, and what kind of assistance we are prepared to provide to guarantee that those people do not lose by going where the work is. There is the question of tax forms and whether or not they can be improved and simplified in order to make it easier for people to fill them out without having to go and pay for it. There is the question of pensioners' incomes. There are pensioners who derive their income primarily from bonds, Canada Savings Bonds and certificates. They must pay quarterly even though they do not get their income until the end of the year. Can we not make some further adjustments in order to compensate for that burden? Many of these people are forced to

take money from a meagre income in order to pay their taxes in the fond hope they will live long enough to get their money back from their investments.

I think those things have to be looked at with some considerable speed and detail in order to change the situation for the coming year.

**Mr. Fisher:** Mr. Speaker, I thought when you recognized the last speaker it was supposed to be the Hon. Member for Hamilton Mountain (Mr. Deans). I could have sworn that the speech came from the Hon. Member for York-Peel (Mr. Stevens). It sounded to me like such a ringing cry of Reaganism.

**Mr. Nystrom:** There is more here.

**Mr. Fisher:** Let us see, we are going to reduce taxes, get off the backs of the taxpayer, withdraw government activity in the economy and just let everything take its natural course. That was a most astonishing speech. After we combine the speech of the Hon. Member for Yorkton-Melville (Mr. Nystrom), who did not do his homework, with that of the Hon. Member for Hamilton Mountain, who has changed the direction of his Party—

**Mr. Deans:** Not at all.

**Mr. Fisher:**—we can now understand what has happened to the traditional socialist fire. These people have decided that the old left-wing principles of participation in the economy have certainly gone out the window.

I would like to ask the Hon. Member a very simple, straightforward question.

**Mr. Deans:** That is the only kind you can ask.

**Mr. Fisher:** Does he believe it was a waste of time for the Government of Canada to support the workers of Massey-Ferguson?

**Mr. Deans:** I thought I heard the ultimate stupidity when listening to other Members speak, but this just has to take the cake.

**Mr. Fisher:** That is what you said; I just summarized it.

**Mr. Deans:** To begin with, Mr. Speaker, that the Parliamentary Secretary to the Minister of Finance (Mr. Fisher) should be so incapable of understanding the argument put forward speaks volumes about the way the Ministry operates. I want to make it clear that I was speaking about demand side economics.

**Mr. Evans:** Not by messing with the tax rate.

**Mr. Deans:** Demand side. This creates demand by enabling people to have more money in their pockets for purchasing purposes.