

Oral Questions

ed lobbying, both federal and provincial, substantial improvements were made in family property laws. However, full equality has yet to be achieved, and even good statutory provisions have been interpreted in a backward way. The Leatherdale case, as recently as last year, is an example of how the Ontario Family Law Reform Act has been narrowly interpreted.

Marriage in Canada is now recognized, at least in theory, as an economic partnership of equals. Yet farm wives still seek legal recognition as partners with their husbands on the family farm. The federal Government has yet to ensure pension splitting for federal public servants, judges, the Armed Forces and Crown corporations. Appointments to the Bench do not yet reflect the equal partnership and contributions of Canadian women to Canadian society. We have a lot left to do.

ORAL QUESTION PERIOD

[English]

FINANCE**CAPITAL GAINS TAX AMENDMENTS**

Mr. Don Blenkarn (Mississauga South): Madam Speaker, my question is directed to the Minister of Finance. On October 1 he decided to let certain people who are investing in shares, or "puts and calls" in the marketplace, wheeling and dealing, or speculating, to have complete indexation on their capital gains and the right to write off their capital losses. Does he expect the House to pass legislation amending the Income Tax Act that gives special people special advantages but does nothing for the ordinary small business people, farmers, fishermen, and those who have a cottage or who invest in something like a coin collection? Why should those special people who wheel and deal in the marketplace have those advantages?

[Translation]

Hon. Marc Lalonde (Minister of Finance): Madam Speaker, I am very surprised at the Hon. Member's comments. He knows perfectly well that as far as capital gains are concerned, we have very substantial provisions to help farmers. We have, for instance, exempted private residences, which are not subject to capital gains. When the Hon. Member talks about farmers and home-owners, these people already benefit from exemptions where capital gains are concerned. As for shareholders, I made it clear in my budget that it was extremely important to increase in Canada the rate of Canadian participation in ownership of our industry, and that is done mostly through capital shares. The measures I have announced have received general support across the country. If the Progressive Conservative Party wishes to vote against this particular provision in the Bill, it can go right ahead, and at least we will know where the Party stands. However, as far as the legislation on indexing securities is concerned, the Hon. Member knows

perfectly well that the tax on capital gains will be maintained, but only on the actual gains made, in that case.

[English]

TREATMENT OF STOCK PURCHASERS

Mr. Don Blenkarn (Mississauga South): Madam Speaker, if the Minister really intends to help sound, solid investment, why does this Bill allow relief for those wheelers and dealers who trade in "puts and calls", since they are essentially speculators who have nothing to do with investment because there is no investment in that? Why does he not just withdraw the proposal and allow proper allowance for capital gains or inflation gains to those who invest in real business or new business? Why does he not do something for ordinary Canadians, in the interest of jobs and the creation of new investment? Why does he not want to do something for them—

Madam Speaker: Order. The Hon. Member seems to be repeating the question.

[Translation]

Hon. Marc Lalonde (Minister of Finance): Madam Speaker, I answered the Hon. Member's question in my first reply, but perhaps I may add that in terms of the legislation that was announced and the program that has been in effect since October 1, these provisions apply to anyone who buys shares, whatever their purpose may be. My hon. colleague is well aware that under the market system we have in Canada and other industrialized countries in the free world, the stock market is the principal source of financing for businesses. Once more, I wonder what the Progressive Conservative Party is trying to do here, because I must say it is rather unusual to hear this kind of talk from the mouth of a Conservative spokesman.

[English]

APPLICATION OF TAX TO SPECULATORS

Mr. Don Blenkarn (Mississauga South): Madam Speaker, the Minister knows that we on this side have always been in favour of at least indexation of capital gains, if not abolishment. We have always been in favour of honest treatment of people by the tax department. How does the Minister justify this preferred treatment for a select group of investors while not looking after those people who really work, invest, and create in this country? Why does he want to favour that select group and not let the real creators and job builders in this country have the same kind of fairness that he proposes for these speculators?

● (1420)

Hon. Marc Lalonde (Minister of Finance): Madam Speaker, I am simply amazed at the Hon. Member's third question on this subject. It seems to be even worse than the first two. Canadians who invest in corporations by buying stocks contribute to the functioning of the Canadian economy. It is