

working on something the new Minister of Industry, Trade and Commerce (Mr. Horner) will pursue. In my view, this is not simply a short-term, six-month affair, but rather a long term enterprise that will today and tomorrow give every Canadian confidence and a better future.

Mr. Speaker, the best thing that could happen to us is that the opposition stop criticizing, sometimes rightly but more often wrongly, that they stop making rather weak points that are only a repetition of old tricks or ill-conceived and badly written editorials. If they did so the opposition certainly could bring a more valuable contribution by putting forward more useful, more positive points and proposals.

● (2052)

[English]

Mr. Doug Neil (Moose Jaw): Mr. Speaker, I appreciate the opportunity of taking part in the debate on Bill C-11, entitled an act to amend the Income Tax Act and to provide other authority for the raising of funds. It is more than that. It is a minibudget—at least that is what it was called by the Minister of Finance (Mr. Chrétien) in the question period about a week ago. The bill is both complicated and lengthy. It consists of 225 pages of material and would take weeks, indeed, months of study to comprehend its contents fully.

I agree with the hon. member for Edmonton West (Mr. Lambert) who, on November 7, said in this House that 99.9 per cent of the people in the country don't understand it. It is only a handful of tax lawyers, tax accountants and people in National Revenue who do. Can you imagine legislation so complex that provision has to be made by the government for a taxpayer to make a submission to the department for a decision, and then the department makes a charge for that decision? I think it is time for the Minister of Finance to instruct his legal officers to revise the Income Tax Act with a view to producing a piece of legislation in language that can be understood and which leaves little doubt in the minds of the tax lawyers, chartered accountants, business people, and the public generally.

The Minister of Finance, when speaking in the House on November 2 on second reading, urged that the bill be passed without any unnecessary delay. He indicated that the passage of the bill before us is extremely important in securing the confidence of the business community. If one looks at the present state of the economy, namely, high unemployment, low productivity, our balance of trade deficit, and our faltering dollar, one will realize it will take something more than amendments to the Income Tax Act to restore that confidence.

● (2102)

I suggest that what makes the country strong is strong leadership. That is what this country has lacked for the past ten or 15 years. There has been no sense of direction since the Prime Minister (Mr. Trudeau) has taken power. People in business and people in all walks of life are confused as to the direction our country is going, both from the economic point of view and from the political point of view. Perhaps in the Prime

Minister's mind the universe is unfolding as it should. This is what frightens me and many other Canadians.

The government's policies have divided the country and have caused its citizens to lose that sense of pride and enthusiasm which we had shortly after the last world war and through the years in office of the right hon. member for Prince Albert (Mr. Diefenbaker) and of the right hon. member who followed him as Prime Minister. At that time this great country was looked upon with respect and envy by leaders throughout the world. We have lost all this. If one sits down and analyses the reasons, it can only be seen as being the result of the policies and attitudes of the present government over the past ten or 15 years.

During the course of the summer I had calls from chartered accountants, members of the business community and others who expressed concern over the fact that, while the then Minister of Finance had made certain proposals in his March 31 budget, no serious steps had been taken by the government to pass legislation to implement these proposals. These people were planning their affairs based on the March 31 budget proposals and in anticipation they would be passed, only to find that the House had adjourned and the proposed amendments to the Income Tax Act had died on the order paper. They asked me what they could do. Should they proceed with their plans or would they have to scrap them? Mr. Speaker, how can a businessmen operate if there is uncertainty as to the rules under which he must operate?

I pointed out to them that the budget proposals of May 25, 1976, were not finally passed until late February of 1977, and I had to admit that there was no way that I could give any guarantee that they could proceed with their plans because the government could easily bring in a new budget or, in the alternative, modify some of the provisions of the March 31 budget.

More and more people across this great country are asking, "Where are we going? What direction is this government taking us, or in fact does it know what direction it is leading us?"

I would like to now turn to some of the specifics of the legislation. First I would like to say a few words regarding the provisions affecting the proceeds from life insurance policies. The original proposals came as a shock to a majority of Canadians who had purchased insurance coverage over the years in order to build up an estate for their wives and families on their death, or alternatively as a retirement fund for their golden years.

The proposals created a great deal of concern, with the result that many representations were made to members of this House and to the Minister, resulting in some changes being made in the original proposals. The changes, as I understand the bill, are to the effect that the earnings on a life insurance policy will not be taxable as income on death. The provisions still remain, however, which provide that the earnings will be taxable if a policy is cashed in during the lifetime of the policy holder, or if he or she borrows on the policy.