

*Income Tax Act*

**Mr. Boudria:** I never thought I would be accused of not speaking loud enough, Madam Speaker. However, I will try to speak louder than some of the other Hon. Members in the House in order to make sure that the Hon. Member for Stormont—Dundas hears me.

The Hon. Member will know that the regional incentive programs of the Department of Regional Industrial Expansion have been cut, particularly the programs that benefited Cornwall which is in his riding and Hawkesbury which is in mine. He will know particularly that the Canadian Industrial Renewal Board had benefited our areas. As a matter of fact, the Hon. Member for Stormont—Dundas lately announced a grant relating back to the good old Liberal days when that program existed.

How does the Hon. Member feel about the fact that in his budgetary measures, the Minister of Finance (Mr. Wilson) has cancelled those regional programs which were good for Glengarry—Prescott—Russell and Stormont—Dundas? Could he at the same time tell us what he thinks of the new tier structure under the Department of Regional Industrial Expansion which seriously affected our areas, making it not as attractive to invest there as it was before?

**Mr. Warner:** Madam Speaker, the Hon. Member for Glengarry—Prescott—Russell (Mr. Boudria) mentioned in his preamble that he represents a neighbouring constituency and he mentioned that our areas had not benefited as much from the economic renewal as had other areas. I would have to point out to him that the riding of Stormont—Dundas along with Charlottenburg, which is part of my riding, and Glengarry—Prescott—Russell, have benefited substantially from the economic renewal.

A considerable number of new jobs have been created in the last couple of years. It is not only new industry that has come into our area but there has also been the expansion of many small businesses. Our unemployment rate has dropped significantly. The official unemployment rate is probably some 3 per cent lower than it was before. However, I do realize that the Hon. Member's riding has not benefited as much as my riding has, and there may be some specific problems or complications which have caused that.

I will tell the Hon. Member that my riding will continue to grow at an above average rate. Next year will be an even better year than this year or last year. This will not be because of government hand-outs or programs but because we have a sound basic economy which is growing and will continue to grow. There are over 1,500 small business people in the area who are progressive, positive-thinking people. They are expanding their businesses and will contribute to the creation of more jobs again next year.

The Hon. Member mentioned the CIRB Program which was an excellent program. He made reference to the good old days. The good old days carried on into the last couple of years. The CIRB Program was continued by this Government and money continued to be allocated until the program was wound down

and died a natural death. Some people did not qualify for these grants. There were some industries that looked, sat around and waited and waited for perhaps a year or a year and a half until the bureaucratic process would approve or disapprove their applications. Some stayed, some went on. Some did not do anything. Some got fed up because someone else got money and they did not.

I hope that the Government discontinues many of these programs. This is not the way business decisions should be made. There are certain areas that do need assistance and these areas are quite obvious. However, to be fair, I believe that our areas will prosper and grow without the CIRB program.

There are other programs now in place and there is more money for training in our areas than there had been before. Sometimes it makes more sense to train the unemployed and put them into jobs required and demanded by industry than to throw money into a community on a holus-bolus basis. True, that was not always the case, but capital expansion and expenditures do not necessarily have the greatest impact on unemployment in an area. It is better to look at the jobless rate and then say: "Stormont, Dundas and Charlottenburg have really great people who are unemployed and want some job opportunities". So what we do is to look at an industry where there is a shortage of labour, and we train people, so that suddenly they are not unemployed, they are employed. It makes a big difference. I am quite proud of what has happened in our area recently.

● (1750)

**The Acting Speaker (Mrs. Champagne):** The time for questions and comments has expired. On debate, the Hon. Member for Trinity (Miss Nicholson).

**Miss Aideen Nicholson (Trinity):** Madam Speaker, Bill C-23 which is before us contains proposed amendments to the Income Tax Act, both personal and corporate income taxes, that were announced in the February 26, 1986 Budget, together with some other measures previously announced like the introduction of a minimum tax.

The Bill was first introduced in the House in June, 1986 as a Notice of Ways and Means motion, and reintroduced in October, 1986. However, the Government has detached two measures from the June motion: the prepayment of the child tax credit, Bill C-11 which has already been adopted by the House; and the increased limits for Registered Retirement Savings Plan contributions, which is still a Notice of Ways and Means motion.

So we are addressing in this Bill some of the issues on which we have already spoken since February 26, 1986. In the case of the personal income tax, we have here the Bill to give authorization to the introduction of a 3 per cent surtax on all individuals, which in fact became effective on July 1 last. We have the introduction of a minimum tax on certain taxpayers, the