

send him a handkerchief or a soother. We have been dealing with this bill for approximately five weeks, and because he has received some letters from the credit unions in his constituency, he raises this matter now. Perhaps he wants to look like the Chevalier du Saint-Sépulcre. We must keep the problem in perspective. I recognized it before he rose in the House. I had my explanation before any hon. member raised the issue.

I had to force hon. members opposite to deal with clause 34. Otherwise, we would never have discussed this. They wanted us to stay with clause 30. If we had they would never have had the occasion to raise this. Now we hear them complaining that they should discuss and solve the problem they see with it, when less than an hour ago they were trying to prevent us from considering clause 34 at all. They wanted to stay on clause 30 for the rest of the day, and now they come and cry like babies. I have said I will look into that and, if there is a need for an amendment, there will be an amendment put before this House when I come back with another bill on the subject. Now we have this hypocrisy being carried on when two hours ago they did not want to discuss clause 34 at all, but wanted to continue discussing clause 30. I see an hon. member over there from Alberta who was one of those who wanted to stick with clause 30. Now he wants to prevent us from discussing clause 34. This is a farce, Mr. Chairman.

● (1712)

Mr. Towers: Mr. Chairman, I rise on a point of order. The minister is misleading the House in respect of what I had to say. I had no reservations whatsoever about considering clause 34. All I wanted was 30 minutes for the consideration of clause 30. Certainly he is misleading the House with that statement, and I hope he will correct it the next time he is on his feet.

Mr. Hnatyshyn: Mr. Chairman, on the same point of order let me reiterate what the hon. member for Red Deer has just pointed out. To use the Prime Minister's term, this is just sheer bunkum.

Mr. Epp: Mr. Chairman, frankly I do not think there is any point in going back to the subject following the minister's last tirade. He has made up his mind.

An hon. Member: He has cheapened himself.

Mr. Epp: He has made up his mind that he wants to tax away the RRSPs of parents looking after their dependent children.

An hon. Member: Nonsense!

Mr. Epp: If it is nonsense or misleading, why did the minister confirm that these children would be taxed at a higher rate than was the case prior to the budget of April 10? That is what he has confirmed, and I think we better stick with that. I would suggest to the hon. member that he get up on his feet and ask questions, rather than shouting interjections. The best speeches he has ever made are those he has made while sitting down.

Income Tax Act

If the minister was so wise and knew the detrimental effects of clause 34, particularly in respect of dependent children, why did he bother to discuss it? Why did he put it in to begin with? The minister says he now recognizes the difficulty, but only became aware of it recently. I have said to the minister on a number of occasions that I do not begin to understand all tax laws, but one thing I do understand is that by this clause he is confiscating property from dependent children. That is what he is doing.

An hon. Member: You are all wet.

Mr. Epp: That is exactly what he is doing. Because of the minister's concession that in effect this is exactly what is going to happen, namely, that dependent children will have their property—

An hon. Member: You are repeating yourself.

Mr. Epp: Of course I am repeating myself. I have to repeat myself time after time with this government, and I will continue to repeat myself, asking the minister if he will withdraw this clause—

The Deputy Chairman: Order, please. I regret to inform the hon. member that his time has expired.

Mr. Chrétien: I would suggest to the hon. member if he wants me to reply he should sit down.

Mr. Epp: Will the minister withdraw the clause and reintroduce it at another time?

Mr. Chrétien: No, Mr. Chairman. I am introducing new flexibility to the system for people who are retired and wish to create an RRIF. If I were to withdraw that flexibility at this time I would be penalizing those people who would no longer have that flexibility and would have to buy either a life annuity or pay the entire tax the day they are 71 years of age. That is the situation in which they are now. What I am doing today for those people is providing more flexibility so that they can reinvest their revenue. If they live only two, three or four years after age 71 they can still leave something to their children, not having to pay all the money in one shot as they would have been called upon to do.

There is a problem in that it could have an effect on the dependent children, and I recognized this some days before I came to the House. This is a problem for those children who are recipients of the RRSP. I recognize that this problem needs to be studied further. I will give it further consideration but I will not withdraw my proposition for the creation of the RRIF at this time, simply because there is a problem. I suggest that this problem can be cured in due course, if we have to cure it. The proposition in relation to the RRIF at this time is consistent with provisions of the Income Tax Act. One can argue that we should do something for the dependent children having regard to the RRSPs. I have recognized that. The hon. member asks me if I was aware of the problem. I was made aware of it some days ago but I did not have time—

Mr. Epp: At the time you drafted the budget?