

*Income Tax Act*

to keep the world safe for millionaires. As an ancillary to that objective, they are prepared to use almost any means in order to maintain themselves in the position of power in this chamber. As a secondary result of that objective of retaining power, from time to time they did condescend to drop a few crumbs from the rich man's table to the ordinary people of Canada. Apparently as a result of the election of last June the Liberal Party decided they need no longer even think about dropping crumbs, at least in the foreseeable future. They are now making in parliament an attempt, in the form of this 2 per cent tax, to get back what was denied them before the election.

There may not be quite the strength on this side of the house in opposition to this kind of taxation proposal that there was before the mid-summer madness of last June, but in the minds of some of us the proposal which has now been brought forward is at least as objectionable as the tax against which some of us voted prior to the last election. The result of that vote was a saving to the poorer people of Canada for at least a period of time. The government is now seeking to reimpose this levy.

• (5:40 p.m.)

I have been looking at this bill and I do not ever recall having seen a piece of legislation which was a more flagrant and scurrilous piece of Liberal Party propaganda than the clause which sets out the imposition of this 2 per cent tax. To label this a social development tax is to mislead the Canadian people as to what this government has in mind. The mere fact that term has been applied to this particular surtax on the income tax bears out what I have said with regard to the Liberal Party's desire to use any and all means to maintain themselves in power. This kind of P.R. approach may have some justification at the height of an election campaign, but to try to incorporate it into the serious legislative proposals which are put before parliament for its consideration is an insult to this institution and to the citizens whom we come here to represent.

**Mr. Benson:** Would the hon. member permit a question? Does he realize that \$5 billion out of the total of \$11 billion raised by the federal government is spent on social development programs?

**Mr. Barnett:** I am sorry, Mr. Speaker, but I could not quite follow the minister's remark.

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**Mr. Benson:** I simply asked the hon. member, does he realize that \$5 billion out of the total of \$11 billion raised by the federal government is now spent on social development programs?

**Mr. Barnett:** Mr. Speaker, I certainly realize that certain expenditures are made from the federal treasury on the provision of various kinds of social services. Nobody quarrels with that fact, but for the minister to try to suggest that this tax levy is being paid to expand social services, particularly in the light of the government's refusal to move one step in that direction since assuming office, confirms the argument I am making.

**Mr. Benson:** Would the hon. member permit another question? Does he realize that additional payments during the last fiscal year for social development programs amounted to \$450 million, which is more than is being raised by this tax?

**Mr. Barnett:** Mr. Speaker, the minister can bandy figures about of greater or lesser amounts paid to the provinces. I have heard statements of this kind on many occasions, and to me they mean neither more nor less, coming from this minister, than they meant in the past.

The minister knows as well as I do that this tax is not allocated for social development. It goes into the consolidated revenue of Canada, and it is a tax burden placed on the people of Canada who are least able to pay it. So I felt I should rise to express my views on this tax, on the approach that the government has taken since assuming office, and my feeling, which is shared by an increasing number of Canadians, that far from moving toward the just society the government, by its actions and in particular by its tax proposals, is moving in exactly the opposite direction. That is why some of us are opposed to this measure.

One can amplify this argument in many directions. The unfairness of the ceiling that is imposed by this proposal has been referred to many times, and I do not need to repeat what has been said. The fact remains, and my colleague the hon. member for Waterloo (Mr. Saltsman) touched on it the other evening, that not only has the government completely ignored the recommendations of the Carter commission but, in spite of its talk about a just society, it has ignored even the most glaring inequalities and injustices that exist in the Income Tax Act.

My colleague referred to the unfair imposition of taxes so far as wages and salaries are