

are quite a number of these. I indicated there were some 60 loopholes, exemptions, and credits of various sorts.

One example I would give, separately from the question of corporate DREE incentives, is the example of the registered retirement savings plan. This boondoggle has been an annual tax benefit in that the benefits which accrue to those persons who are in the highest tax bracket can be as large as those which accrue to a low income pensioner from his old age security pension and guaranteed income supplement in the course of an entire year. In other words, the tax break that those persons in the top ten per cent of the income bracket receive is greater than the amount of money which we are telling our elderly people they have to live on from old age pensions and guaranteed income supplements.

The statistics are indeed disturbing. In 1976 the top 10 per cent income bracket received some 69 per cent of all benefits from the RRSP. So we see that these benefits are concentrated at the very top of the income scale, and in fact some \$7 of every \$10 went to the top 10 per cent of tax filers. I refer to tax filers, of course, because those persons who did not file income tax returns received nothing.

I would also draw to the attention of the House that in fact in terms of the over-all tax expenditures, the entire package of loopholes and boondoggles that exist and that are being continued by ministers on the other side of the House, by and large go to those in upper income levels and do not benefit to the same extent those persons who are middle and low income earners in our society. Of the \$1.8 billion increase in tax expenditures between 1974 and 1976, only \$1 in \$10 went to the lower income 50 per cent of the tax filers, and \$4 of every \$10 found their way into the already stuffed pockets of the top 10 per cent of income tax filers.

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One rationale which has been given for these particular incentives, as they have been called, is that we should be directing funds into certain desirable areas. No one can quarrel that there are areas in the Canadian economy which should be developed. But there has been no indication that these programs, these loopholes, have had any significant effect in terms of directly channelling money into weak sectors of the Canadian economy.

Why should it be that the rich—and I say “the rich” because they are the only persons who benefit—receive tax breaks for making films in Canada, films which may flop completely? Why should the rich receive tax benefits for drilling for oil? Why should ordinary Canadian taxpayers have to pay for Shell Oil’s oil drilling programs and receive nothing whatsoever in terms of a benefit?

Why should the ordinary taxpayer in my constituency of Burnaby, or anywhere in Canada, have to pay substantial amounts of money to provide incentives for the building of apartments through the MURB program which once again is being continued by this bill? Why should the ordinary taxpayer have to pay to assist the rich to invest in various stocks and bonds?

*Income Tax Act*

Why should it be that the corporate sector in our country should be paid to instal pollution control equipment in its factories and places of manufacture? Why should Canadian taxpayers have to bear the burden of that kind of expense? Surely pollution control equipment is required wherever there is a hazard to the environment. Surely it is up to the corporation involved. The corporation concerned should not delve into the public purse. It should be considered as a cost of doing business.

For far too long the Inco’s of this country have been dipping into the public trough, and the ordinary Canadian taxpayer has had to pay the shot for their pollution control equipment, minimal though it may be. Why should Canadians have to prop up an inefficient corporate structure in this way? Why should we have to pay for films that flop? Who can afford these so-called incentives? Not many of my constituents in Burnaby, not many people in Canada. A very small number of people will benefit from these incentives.

There are incentives in the area of dividend tax credits and so on. The government made some suggestion when it was on the campaign trail that perhaps it might remove the capital gains tax. That would be some \$50 million in a giveaway to those persons who are at the very top of the income scale. Those are the people we are talking about, the top 1 per cent of tax filers. These are 1976 figures. It is the top 1 per cent of tax filers, those persons with incomes of over \$40,000, who receive 99.3 per cent of all capital gains in the country. The top 1 per cent receive 99.3 per cent. Instead of removing this boondoggle, this loophole to the top 1 per cent, the wealthy 1 per cent, we should adopt the recommendations in the Carter Commission and say that a buck is a buck is a buck. We should tax capital gains at the same rate as any other income.

In closing I should say that there must be some ongoing parliamentary process whereby Canadians, through their elected representatives, can know exactly what are these legislative loopholes, these boondoggles to the rich of which so few of my constituents and other Canadians can take advantage. The same programs are being continued by the Conservative government which, in many cases, they bitterly protested when they were in opposition. It has been said before, and I say it again: progressive in opposition, conservative when it comes to government.

There have been a number of suggestions that perhaps things are getting better over the course of the years. I conclude by pointing out that income distribution has not changed significantly since 1951. I speak only of income distribution, not of wealth. In 1951 the bottom 20 per cent received 4.4 per cent of the income, and the top 20 per cent received 42.8 per cent. The most recent figures show that in 1976 the bottom 20 per cent’s share had dropped to 3.9 per cent, and that the top 20 per cent’s share had gone up to 44.0 per cent. The top 20 per cent is receiving ten times as much as the bottom 20 per cent, despite all the so-called income security programs which have been brought into play.

The concentration of wealth in our economy has never been adequately studied, but recent studies in the United Kingdom