

*The Budget—Mr. Poulin*

As far as the tax on corporation income is concerned, I am wondering whether a reduction from 49 per cent to 47 per cent will be sufficient to encourage the investment of much more capital in industry and business. Yet such a step should afford one of the best means of stimulating employment and of alleviating, at least partly, unemployment which should remain the constant concern of the federal administration.

In the same line of thought, I must admit that the reduction of the personal income tax rate, has been substantial, although I do not see why it could not have been granted for the whole year 1955, as is the case for corporations.

Moreover, I believe that the hon. Minister of Finance (Mr. Harris) has not been realistic when he abstained from revising the basic exemption used to determine the taxable income of individuals. On March 22 last, I had suggested—it was not the first time and it will not be the last time either, and I am not the only one who has done so—that the exemptions be raised from \$1,000 to \$2,000 for single persons and from \$2,000 to \$3,000 for married people. In that connection, if we examine the last budget of the British government, it will be noted that the basic exemption has been increased by 16.33 per cent and by 14.3 per cent respectively for single and married taxpayers. Therefore, as a result of the last British budget, through various amendments to the Income Tax Act, 2,400,000 citizens, or 13.7 per cent of the total of those who were paying income tax previously, have now been exempted; those 2,400,000 taxpayers were evidently in the lower income tax brackets and therefore had a modest income.

Well, Mr. Speaker, that is a budget which really does benefit those in the lower income brackets! Some wit might also add that a British Conservative government has showed itself liberal in its budget, whereas the Canadian Liberal administration has showed itself to be rather conservative in its own.

I am thus brought around to saying that our taxation system does not take into account the needs of our large families, of those good Canadian families, of French or English origin, who provide this country with large numbers of real Canadian babies, as the Minister of Citizenship and Immigration (Mr. Pickersgill) was pleased to mention recently. I might add, in this connection, that I do share, most enthusiastically indeed, the views expressed by the hon. minister in Victoria when he said—and I am reading

the words he himself read into *Hansard* and which will be found on page 2893:

—I don't believe that any immigrant, no matter where he comes from or how good he is, is as good as another Canadian baby, because the immigrant has to learn to be a Canadian and the baby is a Canadian to start with."

I repeat, Mr. Speaker, that I entirely subscribe to that view and that, if I could, I would like to make its importance and soundness understood by everyone in this country, not excluding the minister himself. It so happens that the hesitant way in which he proceeded to explain this statement, along with certain aspects of the policy of his department, are such as to raise some doubts in our mind as to whether he really believes in what he himself has said. Once well understood, such an opinion would enable us to inject a little more practical sense into our immigration policy, and, I hope, would help correct our fiscal policy with respect to the protection which must be assured to the generous families in our country that still accept tremendous sacrifices in order to give to the nation a great many Canadian babies who, generally speaking, constitute its best citizens.

I wish to reiterate what I have often said, that the state, whatever the country or the civilization, has every reason to protect the homes where family life flourishes, to facilitate with all the means at its disposal or at least to abstain from hindering the normal functioning of this basic element of society, from which rise and develop better than anywhere else the sound principles and the virtues which characterize morally strong individuals and powerful nations.

The citizen who has a deep feeling and a filial love for the family and the home where he grew up cannot be disloyal to his country. But the family and the home must be such that life is pleasant in it.

Some will say that all that is far remote from the practical considerations suggested by a matter-of-fact budget speech. Maybe so, but the fact is that moral values, like flowers, often need a prop to support them in order that they may bloom.

That being the case, the government should have raised to \$250 or \$300 the exemptions granted in the case of each child eligible for family allowances and to \$500 or \$600 those granted for a child not eligible for these allowances.

The British budget—I apologize for mentioning it again—has been more generous in raising these same exemptions by some 17½ per cent.