

*Taxation Reform*

have to carry the tax burden of the nation. I should like to hear what the union leaders of Canada have to say about the minister's white paper.

In addition to the cost of appraisers, who is going to pay for the expensive litigation proceedings which will surely arise from such a complicated tax structure as this? I should also like to know how these tax changes will affect provincial revenues and the dollar thirsty urban centres, where at the present time education imposes such a high tax burden. Nothing has been said by the minister about whether the federal government will increase its share of the cost, and the white paper also sheds no light on this point. In fact, I believe the statement was made at one of Liberal Party's thinkers' conferences that they had nothing to do with urban centres or municipalites; that if they were in financial trouble, it was their own responsibility.

**Mr. Benson:** Mr. Speaker, could I ask the hon. member a question. On this question of sharing with the provinces, has the hon. member looked at table 13 on page 94 of the white paper?

**Mr. Woolliams:** The provinces have already examined the minister's tables, and the premier of Saskatchewan for one is not enthused at the revenue sharing proposed. Even the Liberal premier of Newfoundland, Premier Smallwood, is not happy with this Liberal government, so I do not know why I should be impressed by the minister's tables. These Liberal provincial premiers have been telling the Minister of Finance that his proposals are going to cut down the revenue of the provinces, which in turn means reducing the amount paid at the urban and municipal level.

**Mr. Benson:** You just have not read them. You are not doing your homework.

**Mr. Woolliams:** Talking of homework, you said that 750,000 people would be taken off the tax roll.

**Mr. Speaker:** Order. Both the minister and the hon. member who has the floor are forgetting the Chair.

**Mr. Woolliams:** I am sorry, Your Honour. I became so enthused with the "red manifesto" of the Minister of Finance that I forgot myself for a moment or two. Before I was interrupted by the minister, I was asking who was going to pay for the property appraising

[Mr. Woolliams.]

that will be required under the capital gains tax, and for the expensive litigation that will follow. I also say that provincial revenues will be cut back as a result of these tax changes. They will do nothing to assist the provinces or municipalities, and I suggest chaos will be the result.

When a dispute over payment of income tax arises in this nation, what happens? The department, sometimes with the assistance of the "legal beagles" of the Department of Justice, take over companies' books and statements while the owners of small companies fight the government for their rights under the nation's tax structure. When this valuation day comes, in spite of what the minister will say, what will happen in respect of farms, ranches, stock and those properties to be valuated? Who will do the evaluation? Who is going to evaluate the millions of acres of land in Saskatchewan, Alberta, Manitoba and the rest of Canada? Who is going to evaluate the development in urban centres in Canada? I say this will reduce the whole thing to chaos.

• (3:20 p.m.)

**Mr. Speaker:** Order, please. I regret to interrupt the hon. member but his time has expired unless he has the unanimous consent of the House to continue.

**Mr. A. P. Gleave (Saskatoon-Biggar):** Mr. Speaker, I should like to say a few words about how this white paper will affect the co-operatives, the farmers and the people who work in my constituency and in my part of Canada. Let me congratulate those who prepared the paper. It has a very nice cover, some very nice designs and some very nice artwork. However, most of us are concerned about what the proposals it contains will do to the Canadian economy as a whole and whether our institutions will function better. We are wondering whether, as a result, we will have a better society.

I am very much concerned about one proposal in this white paper which relates to taxation of co-operatives. Co-operatives have been very important to the rural areas and those regions in Canada which have been at an economic disadvantage. I have in mind those regions which find themselves at a disadvantage vis-à-vis the concentration of economic power. These are the areas in which these co-operatives have grown and flourished. The leaders were people who attempted