

*Income Tax Act*

When we think of the difficulties that the continuing high interest rates cause small and large borrowers, small borrowers in terms of those who would willingly enter the mortgage field for homebuilding and large borrowers in terms of industrial expansion and specialization, we wonder why an attempt is not made within the many programs initiated or influenced by government financial activity to exert some control. The ironic paradox is that in most of the government lending programs over the last three or four years, interest rates have skyrocketed. If the government has given any leadership in the field of interest rates, it has been that everybody should increase them. What kind of economic nonsense is that in a time of high unemployment?

Repeated suggestions have been made in this House that programs such as the winter works program of earlier years or the recently completed youth programs operated this summer should serve as examples for additional economic stimulation during peak unemployment periods in the winter. One suspects that the government's reluctance to revive the winter works program mostly relates to a sense of pride. It was not their idea and the Prime Minister does not like to think that somebody else might have had an idea first or that he would be building upon the earlier experience of others. That kind of pride, Mr. Speaker, has meant a loss of respect and opportunity for too many Canadians for them to feel that it is in their best interests.

What is the government doing about the immediate problems that will be faced by many Canadians who will find themselves persistently and consistently on the welfare rolls? Last year and again this spring when provincial budgets were swollen because of increased charges for their welfare programs, there was no recognition of the special problems that might exist in the larger urban centres, places like Vancouver and Toronto, or for the poorer provinces that find difficulty in raising their 50 per cent share of the shared assistance programs. There was no recognition of municipal needs in this country and one suspects there is no sensitivity to a repeat performance this year. Surely, the government has a responsibility before the programs are fully implemented to respond sensibly to the immediate welfare needs that exist. As in so many other things in the economic field, one suspects that again they have simply buried their collective heads in the sand, hoping that somehow or other this problem will go away or that it can be ignored altogether.

When one examines the tax bill before us, one realizes its fundamental weakness, that there is little here to stimulate economic growth. We may have a revised taxation plan but without that economic stimulation we will not have met the basic economic needs of the people. It is no good to reapportion taxation responsibility unless the people can be assured of some benefit from it. What is being attempted in this amendment is a vivid reminder to this government that it must act now to alleviate the kind of continuing stagnation, under-employment and unemployment, that exists in this country, not only because the situation is bad now but because without some kind of responsible action it is bound to get worse.

[Mr. MacDonald (Egmont).]

• (5:20 p.m.)

[*Translation*]

**Mr. C. A. Gauthier (Roberval):** Mr. Speaker, I am pleased to comment on Bill C-259 entitled "An Act to amend the Income Tax Act and to make certain provisions and alterations in the statute law related to or consequential upon the amendments to that Act".

Mr. Speaker, it is specified that it is an act to make "certain alterations". It is rather surprising to find in the title of this bill of more than 700 pages the mention "certain alterations".

Speaking for his party, the hon. member for Edmonton West (Mr. Lambert) moved the following amendment:

This House deeply concerned with unacceptable levels of inflation, persisting unemployment and stagnant industry and conscious of the necessity for meaningful tax reform, declines to give second reading to a bill which does not provide sufficient stimulus to the economy of Canada with appropriate tax cuts and incentives, does not contain adequate tax exemptions and is not calculated to materially improve business and labour conditions in Canada now or in the foreseeable future.

Mr. Speaker, if we could still hope to amend this bill presented by the Minister of Finance (Mr. Benson), I think all members would attempt to make scathing speeches in order to bring the government to its senses. I am sure, as are other members of the Cr ditiste party, that the speech which I am going to make this afternoon is not going to make the slightest difference to the contents of this bill. And I think this is also the opinion of practically all members who have spoken before me, as it will be of all who will speak to this bill after me, because this government has shown, ever since it came to power, that whenever legislation is submitted to the House, all is said, all is done, and the legislation has to be carried. Whether debates last a day, a week, a month or a year, the government, on the strength of its majority, has become so dictatorial that even criticism is no longer accepted. Finally, they sit back, as we see government members doing today, quite comfortably awaiting the end of the speeches in order to get on with the voting. That is the absurd side of the situation when a government has absolute majority. Again, I have always said that an absolute majority government works against the interests of the people, being in power merely to assist big finance. We have overwhelming proof of that today, to the extent that I feel hon. members take increasingly less interest in legislation brought before the House, not even venturing to debate, since they feel their speeches are lost in a vacuum. You might as well be speaking to rocks.

Mr. Speaker, I believe that the opinion of the people today is somewhat along those lines. They are being told: What is the use of speaking up and of fighting for you today, because with this government, the more they dig, the more they favour capitalism and discriminate against the worker and the consumer.

Mr. Speaker, this bill has been under discussion for a long time. I am a member of the Committee on Finance, Trade and Economic Affairs. Numerous briefs, submitted by all sorts of organizations have been discussed in the House. It seems to me that this should have prompted the government to amend this bill substantially.