

Income Tax Act

member has expired. Unless the House gives unanimous consent the question cannot be put. Is there such consent?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Hees: His time has expired.

Mr. Mahoney: You are not very confident that he can handle it.

The Acting Speaker (Mr. Laniel): Order, please. There is not unanimous consent and all the Chair can do is call upon the next speaker, the hon. member for Compton (Mr. Latulippe).

Mr. Forrestall: If there had been more than one minister in the House we would have allowed it—I am sorry there are two ministers.

• (2:40 p.m.)

[*Translation*]

Mr. Henry Latulippe (Compton): Mr. Speaker, I am happy to have an opportunity this afternoon of making some comments on the amendment under study and on the tax reform proposals of the government.

The true solutions to economic problems have not been found yet, and the proposed tax reform is not satisfactory to us. Canadians are not only asking for increases in taxes but for a fairer distribution of such taxes. They are not asking for distribution at the expense of the average wage earners, as is the case under the present fiscal system, but for a fair tax table for all.

Every citizen now knows, especially hon. members, that there are two tax tables: one to protect one sector of the population, the upper society, and the other to apply to the low and medium income people in order to deprive them of their purchasing power. The government is making the middle class, those earning \$7,000 or more a year bear 75 per cent of the burden.

Former rules have led us to the present situation, to this economic unbalance where wealthy people continue to grow richer to the detriment of the poor who become more and more destitute and miserable. The past does not exist anymore; the future of Canada is now in the making. The present is now, not yesterday nor tomorrow. Let us not forget the story of Lot's wife who was turned into a pillar of salt because she looked back while the other members of the family were moving ahead toward freedom and the horn of plenty.

Let me point out that a grievous lack comes with this wonderful progress, and it is getting urgent to correct it in order to avoid the disasters which are likely to be irreparable if we do not immediately take the obviously needed steps.

Modern progress that helped increase production and capitalization must now take a sharp turn toward progress in correlation with consumer spending, distribution of purchasing power, necessarily bearing in mind the essential needs of each Canadian, while we plan the expansion of production and capitalization of large corporations in Canada.

The solution is not to be found in excessive taxation that deprives taxpayers of 50 per cent of their purchasing power.

Promises, hopes, wishes, words, legislation, numerous surveys, white papers or slogans, which have been costing millions of dollars, are not what the people want, but fair distribution of the tremendous annual production in Canada according to the needs of all those who live in Canada, and then, according to the merits of the Canadians who work. To make all those things possible, the cost of living must be reduced through tax cuts, and not through galoping increases that ruin the builders of this country as fast as they develop it to satisfy the voracious appetite of a few financiers who callously take over everything.

They speak about a just society, a united Canada, about fight against poverty, but by means of legislative measures they very often produce something aimed at reducing the purchasing power of the people and increasing the cost of living, the prices, the interest rates on capital and on wages. By means of legislative tactics they boost the income of individuals and companies whose financial position is already satisfactory and they further deteriorate the situation of those without sufficient income or without any income at all.

That is the real picture and there are nevertheless all kinds of increases in all sectors of the economy. Since interest rates are so high, since during the last years, and especially during the last decade, the government has sold bonds to the banks, in view of the fact that those banks have taken over the powers of the Bank of Canada in order to sell those bonds back to the government and receive cash in return, although this did not cost them anything, considering we pay \$2 billion in interest a year to service the public debt, the government should immediately introduce legislation to lower the cost of servicing the public debt to \$1 billion by redeeming all bonds issued at excessively high interest rates, thus saving the Canadian people \$1 billion in interest on the public debt. With this \$1 billion, we could solve many of the problems affecting the Canadian people. We could solve unemployment by undertaking extensive public works, not by increasing taxes but quite simply by lowering interest rates, redeeming bonds through the Bank of Canada and paying reasonable interest rates instead of the extravagant rates which we now pay. It does not make sense to spend \$2 billion in interest on public debt in a country like Canada, with a population of only 22 million.

The federal government proposed amendments to the present tax system in order to eliminate serious injustices while continuing to promote economic growth. I have here an article from *La Presse* which reports comments made by the Minister of Energy, Mines and Resources (Mr. Greene). This minister is responsible, honest with himself and with his beliefs that all Canadians should have an adequate standard of living. I quote:

When the federal government proposed to amend the existing tax structure to eliminate serious injustices while continuing to promote economic growth, the only response came from those who felt they were affected by these amendments.

The minister, who was addressing accountants of the oil industry in western Canada, noted that according to the Carter report, 70 per cent of the tax burden in Canada was placed upon those citizens earning less than \$7,000 annually. Sometimes, he added,