

*Income Tax Act*

If an average wage-earner gets between \$5,000 and \$6,000 a year and spends \$80 to feed his family, without mentioning the cost of clothes and leisure, municipal and school taxes, he cannot pay more taxes.

I fail to see why this House should not vote in favour of the amendment now before us.

Mr. Speaker, as I said a while ago, we have supported this amendment at the committee stage and we will support it on third reading because I think the present exemption system is already outdated. It would be better to try and establish a credit system which would give more justice to the Canadians who still want to work.

Those were roughly the objectives mentioned in the Senate report on poverty. I would like to read again for the information of my colleagues the beginning of the chapter where they define the part that should be played by the government in its fight against poverty.

"Fight against poverty" was a very nice slogan when the government under the Rt. Hon. Mr. Pearson put it forward during the 1963 election campaign. Everybody was happy. People said, at least we are going to have a government that will fight poverty. And we are still waiting for the beneficial effects of that fight against poverty.

And after that they have burked the fight against poverty by saying that once they are in power they will set up a just society in Canada.

Surely this bill will not bring about this just society promised by the Prime Minister of Canada (Mr. Trudeau).

And for the information of my colleagues opposite who still do not know what kind of action the government should undertake to control poverty, I will quote an extract from the report of the Special Senate Committee on Poverty in Canada:

Economic growth has had little effect on the nature and dimensions of poverty in Canada. Our failure to achieve full employment and our acceptance of policy choices which increase unemployment contribute directly to the spread and perpetuation of poverty. While the economic system, by itself, can never eliminate poverty, a healthy and expanding economy provides the environment essential to a comprehensive attack on poverty.

These are the objectives any responsible government should have in mind when it undertakes to fight poverty.

Therefore, I wish our friends opposite would give up politicking for the time being. Of course, I admit that party discipline is important. I have met with the same situation when I was a minister of the Crown and this is the reason whenever I am given the opportunity to speak on our current parliamentary system I contend that it needs to be amended so that hon. members may vote as often as possible according to their own conscience and not necessarily to support their party.

**Mr. Colin D. Gibson (Hamilton-Wentworth):** Are you looking forward to a republic?

**Mr. Asselin:** What did you say?

**Mr. Gibson:** I asked a very honest question.

**Mr. Asselin:** Is that for you a republic?

Mr. Speaker, I therefore say that we should study this amendment very carefully. I should ask honourable members especially those from Quebec who are still sincere

and who wish to help the middle class, to vote in favour of the amendment now before the House.

Mr. Speaker, I regret that the minister of Finance is not here tonight, because I should have liked, in closing, to wish him . . .

**An hon. Member:** He is here.

**Mr. Asselin:** My eyes deceive me. Where is he? In closing, may I express the hope that the minister of Finance, when he is called upon to share the tranquillity of the Senate—which is not going to be the case soon for his parliamentary secretary, who is now nodding in the affirmative—and is free from political worries, will regret having fathered this tax monster, which, in my opinion, in many respects will never serve the interests of the Canadian people.

[*English*]

**Mr. Ray Perrault (Parliamentary Secretary to Minister of Labour):** Mr. Speaker, we appear to be in the closing stages of a very long and detailed debate. It may be said that Parliament and the people of Canada have talked about tax reform for almost ten years, certainly officially. The conversations, the meetings, the discussions and dialogues began in earnest on August 27, 1962, when the right hon. member for Prince Albert (Mr. Diefenbaker) announced with great personal pride the appointment of a hand-picked Royal Commission on Taxation. To the thunder of Conservative approval, he said on that occasion:

I am pleased that Mr. Carter has agreed to undertake this most important and onerous task, possessing as he does a unique knowledge of the Canadian tax structure.

The Conservatives, Mr. Speaker, were delighted with this appointment.

**Mr. Lambert (Edmonton West):** How do you know? You were not here.

**Mr. Perrault:** They said, together with the other parties in the House of Commons, that we badly required tax reform and a greater degree of equity in the tax structure. The need, we were told, was beyond dispute. Since then, no subject has been considered so exhaustively and in such minute detail as has been the future form of taxation in this country. Following the Carter report came the white paper in 1969. We all recall those days.

**An hon. Member:** Yes, a nightmare.

**Mr. Perrault:** When the white paper was published, instead of investing time in the House of Commons advancing counter proposals and ideas in this proper forum, the leader of Her Majesty's Official Opposition mounted his white charger, like Mr. Clean, and went from coast to coast. What did he say? He raced across the country saying, "The government is planning to ram the contents of the white paper through Parliament and I warn you, my friends, my fellow Canadians, that the government should not be believed when the Minister of Finance says repeatedly that there will be changes." He said this despite the fact that when the white paper was brought to the floor of the House of Commons one of the first comments of the minister was, "I invite proposals and suggestions even from the other side of the House