

*Income Tax Act*

saved and scrimped to provide a reasonable measure of comfort and security for their old age, something to which they were entitled as a result of their hard work. Today, under the hammer blows of repeated increases in the cost of living, they find themselves defenceless. Actually, many, many of them have come to me, as no doubt they have come to other hon. members, asking what they can do in order to keep their homes for which they sacrificed so much and which many of them could not secure for many years because they had not accumulated the tiny savings which allowed them to obtain those homes. Now, those savings have shrunk almost to vanishing point. Yet those same tiny savings prevent those elderly people from applying for the guaranteed income supplement. What are they to do? Those who talk to me remind me of people who have had a terrible blow. They are weak from shock. They cannot believe that this government is not ready with programs that will help them. So, they wait and wait and wait, and many of them finish out their lives still waiting. Those who remain cannot believe that the government does not intend to help them.

The same situation applies to our veterans in my riding, and in every other riding of this country. The rising cost of living has robbed them of that dignity and security to which they had a right as men and women who had risked everything for their country. They have asked for help to meet those conditions for which they are not responsible and they have been sent away with empty hands.

So it is for those other thousands of people who must live on small pensions and fixed incomes. This bill ought to have provided them with the means of living out the rest of their lives in the dignity and comfort which they have the right to expect. By taxing those at the upper levels of income as they should have been taxed, that is, on the basis of their ability to pay as recommended by the Carter report and on the basis of fairness and justice, this government could have secured revenues to make possible a large measure of security for those on low incomes. There is no need for me to review the figures. A number of my colleagues have already done so.

Harsh measures are understandable when they are needed. People understand that they are needed and will put up with them. Yet, people will not put up with unfair measures that discriminate against those who are in the low income brackets. During the second world war, when Britain was desperately fighting against Hitler, the British authorities knew that if the war against Hitler was to be won, harsh measures had to be imposed on everybody according to their ability to bear those measures. That was done. If we could do that in these difficult times, the government would be a great deal happier and have to resort much less to semantics than it has at present. After all, it could depend on the good will of the people of the country and impose whatever harsh measures are necessary. What the people will not forgive, Mr. Speaker, is comfort for the elite but misery for those in the lower income brackets.

The least this government ought to do now is amend this bill in order to secure sufficient extra revenue with which to review all government pensions and allowances with a view to establishing a floor at a level consistent with a modern standard of living. All pensions and allowances should then be set in relation to that level, and none

should be permitted to sink below it. An escalator clause should be built into the new program, with provision for proper review in accordance with increasing living costs. That, I suggest, ought to have been envisaged in this tax bill and provision made for it.

My colleague, the hon. member for Surrey-White Rock (Mr. Mather) has advocated a program of "Opportunities for Age". I endorse it heartily. In my opinion, its foremost objective should be the provision of sufficient income to permit elderly people to be properly nourished, to have a comfortable place to live, to have the wherewithal with which to buy the drugs they need and the little comforts that are so necessary and, above all, to have the opportunity to hold their heads high against the meanness and indignity of handouts.

It should be the same for veterans and their families. Frankly, I am completely sickened by watching the penny pinching that goes on, especially when some of these people who need help come to see me, like the veteran's widow. So urgently was she in need of assistance that she was willing to have her husband's body exhumed, because she hoped to prove that she was entitled to a little more help as a result of the sacrifices he had made in his war service. It is this sort of situation, repeated over and over again in essence, that makes me less and less enchanted with this tax bill, the provisions of which bear so lightly on the wealthy and crack down so heavily on the poor.

Actually, of course, we should have a floor under income for every individual and family in Canada. Several years ago we had reached the point where not only sociologists and government officials, but also cabinet ministers and, at one point I believe, even the Prime Minister, were playing with the idea. However, with their usual expedition in these matters, the wealthy got to the government first with the "most" and this tax bill is the result. It has been left to the New Democratic government in Manitoba to go ahead with a pilot project to demonstrate the feasibility of the guaranteed income. I trust that this federal government will at least be willing to co-operate in providing a large portion of the necessary funds for this project of great social significance. Actually, the NDP government has had to provide a great deal of the leadership which this government has followed belatedly. I am referring to 20 years of experimental projects carried on under the CCF government in Saskatchewan which was the forerunner of the NDP. From those programs this government picked up some of its ideas. It is making a belated attempt to carry out some of those programs in a much more attenuated form.

Much is made of the fact that the tax bill now before us will remove about one million people from the tax rolls. That big figure is calculated to look impressive and to underline the government's generosity towards those on low income. However, let us examine this proposal. My colleague, the hon. member for Oshawa-Whitby (Mr. Broadbent) referred in his speech to the long years of promises in which we were told that we were to have real tax reform when the government finally got around to it. My colleague asked the question—and this is not particularly with reference to the one million taken off the tax rolls but the people above that level—how real are the tax benefits in this bill for most Canadians? He calculated that in terms of their effect on income, the tax proposals