

*Taxation Reform*

**Mr. Woolliams:** Well, time will prove whether I am right or not. But I do not think he can deny that the effect of this white paper would be to cause provincial and municipal taxpayers to pay more. They are likely to end up with less take-home pay.

• (3:10 p.m.)

**Mr. Benson:** I deny that too.

**Mr. Woolliams:** The minister can say what he likes. The fact is that this document contains a hybrid dogma which purports to take over the means of production and puts union workers into an economic straitjacket. It is socialistic; it keeps the rich rich and privileged. In that regard it has a fascist approach. The document is inflammatory and revolutionary. In my home city, the Liberals held a dinner to support the Liberal party and to raise money for the government. Yet the minister was booed by his own supporters.

The small businessman, the small corporation, the farmer and rancher will be forced out of business as a result of the proposed capital gains tax. The implementation of a capital gains, which requires such gains to be added to one's income, is confiscatory and will force sales of farms and businesses either during the lifetime of the owners or at their death, when many farms and ranches in western Canada are passed on to the sons.

**Mr. Benson:** There is no capital gains tax on such transactions.

**Mr. Woolliams:** If the minister does not call an estate tax a capital gains tax, then I do not know what he would call it. I would be very concerned at the implementation of the kind of capital gains tax proposed by the white paper. It would be different if a certain percentage were applied on capital gains, so the people would know where they stood; but on the basis of the proposals of the white paper the minister would have to confiscate property and put our farmers and ranchers out of business in order to collect his tax.

The will of the average Canadian cannot be shattered; it must be softened, bent or guided. I am not suggesting that the minister is trying to tyrannize the Canadian people, but I do suggest that his proposals are going to compress, enervate, extinguish and stupefy us all. These liberal Liberal hybrids are endeavouring to reduce this nation to nothing but a flock of timid, industrious folk of which the government will become the arrogant, dictatorial shepherd. According to Francis Neil-

son in "The Cultural Tradition", the greatest insult you can offer to the human race is to regard it as a herd of cattle to be driven to the selected pasture.

What the minister is really doing through these proposals is to follow his own profession. He wants to reduce Canadians to a nation of small, petty bookkeepers. Instead of energizing our human resources, he wants to engage us in the task of keeping the nation's books. The minister and his socialist friends see themselves conducting bookkeeping courses and setting up offices in the living room of every suburban home and farm kitchen. Everyone will be a bookkeeper.

I should like to know who is going to pay for all the appraisers who will be required to evaluate property. We will experience complete chaos, the same kind of chaos that occurred in Great Britain when they introduced the capital gains tax. Perhaps the minister himself never experienced, prior to his appointment to the government, how hard it is to make a dollar.

The people who will be most affected by these proposals possess talents which are highly rewarded here, as in other nations, irrespective of political system. We will suffer a further brain drain to the United States, and there will be a deterioration in capital investment here in favour of more go-ahead nations. The university graduates of the nation, after spending several years at university, are going to be asked to bear the main brunt of this country's tax burden. If life seems more attractive to them in the United States, the brain drain will increase. To my mind, these proposals mean that we will lose our scientists and those in the professions.

As the Leader of the Opposition said, nothing will give greater assistance to foreign powers to take over the capital resources of this nation than the capital gains tax that is suggested in this so-called white paper. As the minister knows, desire for monetary profit competes with other factors, such as preference for leisure and other pursuits. Work also entails fatigue and anxiety. Therefore, it follows that when monetary reward is lessened by taxation, personal situations must be reassessed.

This white paper will not be endorsed by members of our labour unions. Many workers in labour today earn up to \$10,000, even \$15,000, and they are the people who will be most affected by these proposals. They will