

*Income Tax Act*

be listened to and their suggestions must be taken into account so that they will know that, if something must be done, it will be done with their help, and in this way everyone will benefit.

In conclusion, if the rules allow it, I shall move an amendment to the bill on third reading, as a logical conclusion to my argument. I move, seconded by the hon. member for Portneuf (Mr. Godin), the following amendment:

That the main motion be amended by striking out the word "now" and replacing it with the words "in six months from this day" at the end of the question.

[English]

**Mr. Cliff Downey (Battle River):** Mr. Speaker, the measure before us provides for the continuance of the surtax which I think all of us must agree adds only to the repressive burden of taxation in Canada. This is the thing that is throttling business in Canada today. I do not think there is much doubt in the mind of anyone in this House that this country has gone too far down the road of socialism. Let me read from a publication which came to my office today containing the text of an address by J. Allyn Taylor, Chairman and President of Canada Trust-Huron and Erie, to the annual general meeting of shareholders. He referred to some figures to compare the percentage of the gross national product of various countries which goes towards the upkeep of government. He states:

They show where we stand in comparison with the other major countries bordering on the Pacific, with whom we must compete for more than 50 per cent of the world's trade. Thirty-five per cent of our gross national product now goes to the upkeep of government in Canada. In New Zealand, a country that we have long considered as being highly socialistic, the figure is 31 per cent. In the United States, it is 28 per cent including the costs of Vietnam. It is 21 per cent in Australia and 16 per cent in Japan. This is concrete evidence, I suggest, that we are well along the road to becoming a socialistic state.

Socialism is based on the premise that the government takes all and distributes to each according to his need. Mr. Taylor goes on later in his address to say:

There is abundant evidence of the increasing dominance of the federal public sector over all our lives. With it has come corresponding reduction in the influence of junior levels of government and the private sector. Witness the fact that the Federal Government has grown in the last decade at over twice the annual rate of the economy as a whole. It has become so massive, so unwieldy and so all-embracing that its inefficiencies and its extravagances become harder and harder to combat, no matter how well intended government officials may be.

One of Parkinson's laws says "From size comes complexity, and from complexity, decay". This characteristic of size threatens every institution known to man and government is surely no exception.

We must recognize that it is almost impossible to reverse this trend and, with the technological advances we have today, it will be impossible to attain anything approaching, full employment in the future. In this context I refer to meaningful employment, because it is a fact of life that probably one third of the people in Canada whom we consider to be employed today are not really meaningfully employed. We know there is a great deal of feather-bedding in industry, and that there are many people in industry whose jobs could easily be

[Mr. Lambert (Bellechasse).]

performed by machines. We must recognize that full employment would only be possible if we were to revert to the situation which existed 100 years ago. We would have to set aside the technological advances we have made and revert to a manual labour. It is time all parties that believe the free enterprise system is a way of life considered the plans initiated by Kelso and some of his colleagues. I have in mind second income plans.

It is very evident to any thinking person that two factors in production are paramount, one being manpower and the other being capital. We should recognize that an individual has the right to pursue his own goal. It is up to all of us to work toward devising plans which would put capital for production back into the hands of the workers. I suggest this is not impossible. It is the only alternative we, as Canadians, have if we are going to combat complete state control in the future.

**Mr. Speaker:** Is the House ready for the question?

**Some hon. Members:** Question.

**Mr. Speaker:** The question is on the amendment to the main motion by Mr. Lambert (Bellechasse). Is it the pleasure of the House to adopt the said motion All those in favour will please say yea.

**Some hon. Members:** Yea.

**Mr. Speaker:** All those opposed please say nay.

**Some hon. Members:** Nay.

**Mr. Speaker:** In my opinion the nays have it.

*And more than five members having risen:*

**Mr. Speaker:** Call in the members.

The House divided on the amendment (Mr. Lambert—Bellechasse), which was negatived on the following division:

## YEAS

## Messrs:

Barnett	MacInnis (Mrs.)
Bell	MacLean
Benjamin	Macquarrie
Burton	McCleave
Code	McCutcheon
Diefenbaker	McGrath
Dionne	McIntosh
Downey	McKinley
Fairweather	Mather
Flemming	Moore
Forrestall	Muir
Gleave	Nesbitt
Godin	Nowlan
Hales	Nystrom
Harding	Orlikow
Hees	Paproski
Horner	Peddle
Howard (Skeena)	Ricard
Howe	Rodrigue
Knowles (Winnipeg North Centre)	Rondeau
Korchinski	Rose
Lambert	Ryan
(Bellechasse)	Rynard
Lewis	Saltsman
MacInnis (Cape Breton-East Richmond)	Simpson
	Skoberg
	Southam