

Income Tax Act

used for social development. Nothing tells us that that money will serve the said purposes. Nothing guarantees us that that money will be used for medicare or another project. It will be put in the consolidated revenue fund.

Last week, while another legislation was under consideration, we understood that from now on such a fund would permit greater loans through the Central Mortgage and Housing Corporation.

The proceeds from the social development tax will eventually go to the consolidated revenue fund and will be used mostly to pay increased interests on the public debt and to allow a higher interest rate on loans that may be offered in the future.

It is useless to try to persuade the hon. member for Trois-Rivières who, at one time, with his white beret crammed on his head, would have been able to understand something else, so we believed, from the point of view of social justice than what he has been preaching in the house since September. But he was wearing the beret only as a matter of form at that time.

We Créditistes, have been repeating in the house that the government must not be Santa Claus, that the government is not a private enterprise, that the government must not throw money right and left, that the government must try to stabilize the economy. When, for example, the government decides to find money for war, there is no problem. There is no question of austerity. But, in 1969, 24 years after the end of the war, the question of austerity is brought up, although it was not mentioned during the war.

As I have already said in the house, we have a policy of austerity in peacetime, a sick policy. There is a tremendous lack of money. Money is more easily found in wartime. For that reason we say that this bill is contrary to the social justice in which the government would like to have us believe, because the poor will be taxed. The largest possible number will be taxed; the government will tax the poor earning less than \$6,000 in the same way as the person earning more than that amount.

As we did this afternoon, we shall vote against the implementation of that 2 per cent tax or the maximum of \$120, not only because the government impinges upon the rights of private enterprise in that field, but also because it will exact more from the poor. Through that measure, people will be poor in greater numbers and, in that respect, I agree with the hon. member for Trois-Rivières.

[Mr. Rondeau.]

Unfortunately, if some day there is no more incentive for private enterprise, if the rich people find no more capital funds in their pockets to develop our country, the poor people will no longer be able to earn a decent salary.

That is the reason why we submit that there is another means to help the poor without destroying the rich. That legislation is crushing the poor more than before, without touching the rich, and we, of the Ralliement créditiste, have always argued that there is enough abundance, enough resources, enough values, enough guarantees in Canada to raise the standard of living of the poor who earn less than \$6,000 a year, without affecting those who have more talent, more initiative and more money.

There is no question for us to approve legislation which will affect the rich and tax the poor still more. We are in favour of helping the poor, without discouraging those who have ambition, talent and initiative. This is why we say that in order to make real economic reforms in the country, we must go to the root of the evil and leave alone the small wage earners who are the majority in Canada, the workers whose salary is low and who must live between two periods of unemployment or two wars with welfare allowances. We must fight against the economic system affecting both the poor and the rich since now employers, employees, white-collar workers and labourers earning less than \$3,000 a year are all in the same boat. It is a financial boat which does not allow the Canadian economy to thrive in peacetime. It could have done so in wartime, but debts have been made.

● (4:50 p.m.)

As for us, Créditistes, we say that if we have been able to develop Canada during the war, when the country ran into debt, it is possible to develop the same country, with the same Canadians, with a manpower that is even more skilled and a more adequate technology. It is possible to develop our country much better in peace time than in war time, but not by means of a fiscal policy of restraint which compels the Canadians to tighten their belts, as the Liberals say.

Indeed, why should we tighten our belts while stores are full and warehouses are crammed with goods, when factories are slowing down and when the province of Quebec has over 40,000 people who depend directly on social welfare or public assistance? When those families or individuals