

*Income Tax Act*

The conservative members have found some wonderful answers. They have made nice speeches, but I might say that nobody has really put forward other solutions than those proposed by the government. All this cannot happen by itself. Tax reform can and must play a formidable part, provided only that at the high administrative and departmental levels they redirect the economic planning of our nation to meet the needs of the consumers and to remunerate at the same time equitably and fully the labour and the capital of Canadian producers.

Instead of increasing taxes that would have been another of the possible solutions to put forward. It is certainly possible to find other practical solutions to administer the country and to balance the budget.

In trying to balance the economy by this ominous bill, we will take away from Canadians the main purchasing power they need as we increase taxes and impose taxes on capital. We will deprive many Canadian taxpayers of the necessities of life, and we should consider that, Mr. Speaker.

• (9:40 p.m.)

Those are the guidelines put as simply as possible.

Mr. Speaker, the general idea behind the economic direction should be reviewed in a completely different context from the monetary, economic and political mechanism. Until we grapple with those economic, political and monetary elements, the situation will never change. The present system can only bring more serious economic imbalance, more dissatisfaction among the population and an increase in the number of poor people.

All those facts are practically ignored or at least inadequately taken account of by those responsible for the economy both at the management and legislative levels.

I will not try to meet the set requirements. There is rejoicing about the success of banks, large financial, industrial, business and agricultural companies as well as large public, business, agricultural and semi-public corporations or public utilities such as hydros, railways, television, radio, etc. This perfect mixture of private enterprise and government enterprise leaves the population in complete confusion with no sign of hope for a solution simply because all those responsible for management are university graduates who are well known and conditioned to continue the requirements set in a system that is more than 40 years old.

So it is nobody's fault. Everybody abides by the law, even and above all presidents and directors of the largest banks and companies. If we talk to them about exclusive privileges that are granted to them by the government, either through administrative practices or in the form of reserves or tax exemptions, they answer bluntly, what would you do in our place? We are simply taking advantage of the laws passed by government. We are very anxious to obey existing laws. Who would find fault with that?

Mr. Speaker, we know that existing laws protect high finance and enable many high officials and large institutions of the land to pay almost no taxes because they can avail themselves of special legislation and special taxes; they are authorized to build up all sorts of reserves and are quite happy with the present system.

[Mr. Latulippe.]

The orders are well obeyed by university graduates who impose their will on governments and who subsequently administer banks and corporations according to the law.

Mr. Speaker, nobody is responsible for the present inflation, unemployment, poverty or economic imbalance. All this uneasiness results from protracted subservience to economic doctrines which were useful 40 years ago, and which still accommodate the scientists, the wealthy and the powerful masters of the established system, but are of no benefit to the people.

Bill C-259 does not take into account those economic facts.

We try to promote production and capitalization while consumption is jeopardized for over 60 per cent of our population. We try to retrain workers and even technicians, once again to promote production, whereas consumption is ailing.

Mr. Speaker, I wish to say to the cabinet members and to the chairmen of our powerful banks and corporations that nothing is lost. Everything is in good working order and will work even better as soon as production, consumption and capitalization will be balanced at the individual, family and social levels. Many members forget this.

Since 1960, several royal commissions, several task forces made up of experts, several Senate or House committees, several White Papers, many official reports of the Economic Council of Canada, all prepared by the highest economic authorities in Canada, with the help of experts of foreign countries, have set forth all the aspects of the economic life in Canada, in particular the alleged causes of inflation, unemployment and poverty.

Inflation, unemployment and poverty are three distinct results of the same economic ill that can be called the national economic imbalance. And the more we shall implement Bill C-259, the more we shall experience that great imbalance which will unfortunately lead our people to adopt impractical solutions.

Why can't all those experts meeting together find the causes of the economic imbalance, propose solutions that would restore the economic balance? Why can't they agree on a single point?

The reason is a very simple one. All learned men, all experts, all economists, all directors of great institutions follow the same instructions laid down by the great universities of Europe or the United States, by university professors throughout the national or provincial universities, in all countries of the third world.

To all proposals that go against that universal general order, legislators have but one clear and precise answer, always the same, expressed in different ways, which may be summed up thus: After all, once in power, people must act according to what they learned at university.

Our legislators remain faithful to the economic dogmas of the past, dogmas that have been successful in their day but that are no longer applicable in the current situation which is different. Pragmatic people are no longer the fashion and they only perpetuate and protect the old dogmas, the old doctrines which are not adapted to modern times.