

for automated equipment to sort the mail. Why sort it if they do not deliver it?

I estimate that something in the order of 2,000 or 2,500 jobs are needed for efficient postal delivery in the cities. The people of Canada do not expect the Post Office to make money or to break even. They have always been willing to pick up the deficit in the Post Office as long as they get service. I do not know of a post office department in any country that breaks even. They all make money.

**Mr. Stevens:** In the 1970s ours made money.

**Mr. Benjamin:** If ours is to lose money, it should at least lose it in such a way as to maximize the service. Instead, it buys automated equipment to sort the mail and then refuses to deliver it. There are other things this parliament should do to help the economy. If we want to do something about pollution and unemployment at the same time, we could begin a seven or eight-year program to spend several billions of dollars at all three levels of government for sewage systems in each city and town that has tertiary sewage treatment. The manufacture, transportation and installation of such equipment would create jobs and reduce pollution. That seems to me to be a worthwhile program and the sort of thing that should be included in Bill C-11, rather than \$1.2 billion in gifts to corporations and the wealthy. When they get it, they will not spend it in ways that would increase employment.

This bill, Mr. Speaker, dwells too much on dollars and not enough on people. I illustrated what a cruel hoax we have perpetrated on the veterans of Canada. How anyone in this chamber will look a disabled veteran in the eye if this bill is passed is beyond me. In view of past experience, I had hoped that the government would change their ways, try new methods and, as the hon. member for Comox-Alberni (Mr. Anderson) said, challenge the nation. The knowledge and the money is there, but we need leadership, planning and direction. We can only get that from a national government, not in a bill like C-11—and I say that sincerely. If the government can find \$1.2 billion for this, but can only find \$30 million for disabled veterans, I cannot support such legislation.

**Mr. Lumley:** Mr. Speaker, I wonder if the hon. member would entertain a question in the time he has remaining.

**Mr. Benjamin:** Certainly, Mr. Speaker.

**Mr. Lumley:** Could the hon. member tell the House how he arrives at the figure of \$1.2 billion for incentives to industry?

**Mr. Benjamin:** Mr. Speaker, if the hon. member will check *Hansard*, as I shall, I am sure I said \$1.2 billion in tax revisions, incentives, write-offs and relief for corporations and wealthy people.

**Mr. J. Robert Howie (York-Sunbury):** Mr. Speaker, I should like to commend all my colleagues who have taken part in this debate. Their comments have been very useful. The Income Tax Act is very difficult for the average Canadian to understand. It is becoming so complicated that more and more

### *Income Tax*

Canadians are turning to professional people for assistance. Tax experts are emerging in the legal and accounting fields and many of our middle and larger corporate citizens have special tax departments to assist them in taking maximum advantage of tax provisions and in computing the amount of money they must pay under our tax laws. This is an expensive process.

In 1971 we tried to deal with this complicated matter and to simplify it. Instead of becoming more simple and straightforward, it is becoming more complicated. Every time we, as law-makers, attempt to confer a benefit on a select group of people or to provide an incentive or stimulant to a sector of our economy, we make our income tax much more complicated. Projecting our performance for the past ten years, we must ask ourselves, "Where are we heading?" Clearly, we are heading into an era when we will see double the number of accountants with probably half the clients that each now has. How much can one mind absorb? Can one chartered accountant or one lawyer deal with this myriad of taxation legislation which we are developing? I doubt it. I feel we are heading into an era of specialization and team approaches to some very complicated taxing laws. It is, clearly, becoming too involved. Just like government, it is too big.

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Our present taxation system places a severe burden on the average Canadian. To a great degree, our taxation policy penalizes this group of people and in particular small businessmen and small professional men who simply lose their incentive. When Canadians in the middle income group take a look at the large portion of their income that goes to the government of Canada, they find that their ambition is stifled and the incentive is not there to expand and provide more jobs. The wealthier people, people earning over \$50,000 a year, may find they are involved in different companies, in capital gains and in a taxation system in which they have more options available to them in dealing with their taxation problems. They can protect themselves.

We do have a number of anomalies in our existing tax legislation that raise the question of fairness and equality of all Canadians in respect of our tax laws. For example, a private duty nurse who is self-employed and works at a hospital can deduct the expense of her uniform, while another nurse who works beside her but is employed by the hospital as a member of the staff cannot make the same deduction even though she performs substantially the same services.

Our lumberjacks working in our forests cannot deduct the cost of their mackinaws which are essential to protect them against our cold Canadian winters, but they can deduct the cost of their chainsaws. A carpenter who comes into your house to perform a small service can deduct the cost of his tools if he is self-employed, but the same man coming in to perform the same service cannot deduct the cost of his tools if he works for a construction company. A judge cannot deduct the cost of his robes that he is required to wear in the