

Income Tax Act

Minister of Finance has urged that we push this bill through because at least many of the sections will not come into effect until 1976. He has also said that none of the important changes come into effect until 1973. Then I ask, what the heck is all the rush about? If many of these sections do not come into force until 1976, and if none of the important changes come into effect until 1973, why all the rush? It is political expediency. That is the reason.

Why not accept the sensible, responsible and reasonable alternative put forward by the Leader of the Opposition (Mr. Stanfield), which would solve the problem? Members of the government contend that confidence cannot be built up in the economy if the whole nation is going to be hung up wondering what the government is going to do. Their philosophy is trial by error. They say, "Let us try it. If it is an error, we will fix it up." Mr. Speaker, that is no good. As the Leader of the Opposition said, we need time to study and debate the more incomprehensible sections of this monstrosity of imperfection. I would like to emphasize that the bill is a monstrosity of imperfection, and to realize that one only needed to listen to the hon. member for Oxford (Mr. Nesbitt) read one little subclause which took him about three minutes to read. I doubt if any member of the House understood it as he was reading it, or would be able to understand it even after studying it for an hour or two hours. It is no wonder that tax lawyers say they have already discovered 141 loopholes in the bill. And, Mr. Speaker, they have just started to study it. Why the rush?

Mr. Kaplan: Would the hon. member permit a question?

Mr. Alexander: There will be no questions from that side and no answers from this side because of the irresponsible attitude you people took this afternoon.

Mr. Mahoney: We want to discuss the bill. We haven't much time, Let's talk about the bill.

Mr. Alexander: You are testing my patience. Mr. Speaker, the parliamentary secretary has a loveable character, but he is testing my patience.

Mr. Crouse: There is a little too much arrogance from that quarter.

Mr. Alexander: This bill is beyond the immediate mental digestive system not only of Members of Parliament but also of tax accountants, lawyers, businessmen, and all those whom the bill directly affects, namely, the Canadian people. But the government is determined to ram the bill down our throats in the same manner as Christmas turkeys are being force fed for the holiday table. It is a shame, Mr. Speaker.

What could happen if the manufacturers of airplanes and motor vehicles accepted this imperfection theory? We owe them undying gratitude for the fact they do not take that view. What would happen if they hurried something into production knowing it was imperfect? Such an attitude is unacceptable, dangerous and irresponsible. Yet that is the attitude the government wants opposition parties to accept. The government wants us to pass something that is imperfect, something that is dangerous, something that is unknown, the end result of which is beyond anyone's comprehension. Then the government

says, "When we have tested it out on the Canadian people"—it is a terrible thing to use the Canadian people as guinea pigs—"we will see just what we can do in order to alleviate their suffering." The government says, "Damn the consequences; pass the bill; let the Canadian people be the guinea pigs."

The other day the Minister of Finance said:

The only way imperfections in this legislation will come to light is through the actual experience of taxpayers and their advisers reading and using the new act in relation to particular transactions and situations.

That is a terrible thing to tell the Canadian people. I know we are not perfect because we are human but, as I said earlier, the Canadian people expect the government to bring in something more nearly perfect than this. The proof is in the pudding. I forget how many amendments the government has already introduced. I think there were 135, and members opposite can check me if I am wrong. How many more amendments will we get in January? How many more amendments will the other place bring in, if, in fact, it is allowed to bring in any? What nonsense is this, Mr. Speaker? The government says we do not have to be concerned about many of these sections until 1976, and that we do not have to be bothered with many of the important ones until 1973. The theme of my presentation this afternoon is to ask why the rush, Mr. Speaker?

• (3:50 p.m.)

Mr. Haidasz: Lower the taxes as of January 1, 1972.

Mr. Alexander: If the Liberal government were really concerned about the deleterious effects of poverty, they would not have removed the cost of living escalator clause from the Old Age Security Act last winter. They would have inserted an escalator clause in such legislation as unemployment insurance and FISP, and they would have made allowances for an inflationary upswing to be reflected in personal tax exemptions. The government profits by inflation; poor people lose. At no time has the Liberal government seriously tried to right that imbalance and they are not doing it now. The hon. member for Winnipeg North Centre is trying to correct that imbalance. The government says something about getting the bill passed so that we can give the poor people a break. If a man on the poverty line gets an \$8 break that does not help much when he is facing inflation and the high cost of living with the reduced value of the dollar. But the government goes around spreading that false propaganda.

Reuben Baetz pointed out to the annual meeting of the Canadian Council on Social Development recently that:

An unfair taxation system can give to the poor with one hand through transfer payments, and take away from their already inadequate income with the other.

The present tax reform bill does not remove the unfairness to which Mr. Baetz refers. I like this amendment because it shows some credible movement by the opposition to correct the situation. We still have people being forced to pay tax on incomes well below the generally accepted standards. If we are going to beat this problem of poverty, surely we have to be more credible than this government is attempting to be. What progress is there in having exemptions of \$1,500 single and \$2,850 married in