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of the citizens of Canada can benefit. I suspect that same argument can be made for everyone in the country. Giving an average working man in Canada an opportunity to retain some of those tax moneys to invest as he or she sees fit would also result in more economic activity in the country. However, although we do this for one select group, those in the upper income bracket, we certainly do not do anything of a similar nature for the ordinary working Canadians.

The corporations, Mr. Speaker, in 1981 and 1982 were very profitable and, again because of the existing tax system and the loopholes therein, they were able to use the system through their tax accountants and tax lawyers so that they paid no income tax whatsoever. Just a few days ago there were reports made public in our country which pointed out that the tax rates for small businesses in Canada were significantly higher than the tax rates paid by the large corporations. It is a very biased system, Mr. Speaker, which is exemplified most obviously by the Bank of Montreal, which in 1982 made a few hundreds of millions of dollars in profits, yet paid not a single penny in income tax. It had \$22 million deferred to the 1983 taxation year as well.

One could go on and on, Mr. Speaker, speaking of the most obvious abuses of the tax system. However, today we are focusing in on the unfairness of it all. We have heard from Hon. Members from the Progressive Conservative Party with respect to the fact that National Revenue is coming down hard on individuals. We have all had countless letters and briefs presented to us from our constituents because Revenue Canada, in a desperate grab for revenue, is bringing undue and unfair pressure on many Canadians. Later today my colleague will talk about the problems which are faced by those in the artistic and cultural communities.

I would like to identify one particular problem area, that is, the food producing business. In parts of Canada we have seen the heavy hand of National Revenue come down on those farmers and ranchers who have struggled, in many cases for generations, to establish a viable operation. One particular family comes to mind. I know of a young rancher and his wife who have three children. They have worked in the ranching business for their entire lives and recently were operating a 200-head cattle ranch in central British Columbia. That family, I think it fair to say, worked from dawn to dusk, seven days a week, for years and years and because of the falling cattle prices and increasing costs of all aspects of the ranching operation, were finding it more and more difficult to make their necessary payments. The husband was required to go out and seek alternate employment for a few days a week driving a gravel truck. As a result of the income obtained from that particular venture, the officials of the Department of National Revenue decided this individual was no longer a cattle rancher, although his wife worked every single day of the week; as well as all three children before and after school, and that individual, other than those few hours a day when he was driving the gravel truck, worked to keep that ranch viable.

An Hon. Member: It was a hobby ranch.

Mr. Riis: They did not go quite so far as to call it a "hobby ranch" but they did call it a part-time operation. It is with that kind of uncaring approach, Mr. Speaker, that officials with no understanding of what ranch life involves make a decision based on some immediate cash flow receipts which is absolutely incorrect. I must add that when the matter was brought to my attention and I intervened with the Department of National Revenue, there was a reassessment. The whole matter was re-examined and I believe justice was brought to bear in this situation and they were again classified as a full-time food producer, which they truly were.

There are many examples of this kind of situation. The point is that it is well known that the Liberal Government, as a result of economic mismanagement, has had to go out and make a very desperate bid to obtain taxes from Canadians. Part of the problem is of its own making because over the years it devised a tax system which has permitted so many Canadians to pay no income tax and to really abuse the system by using the legal loopholes which the Liberal Government has so generously provided. Government must now go to the average Canadian, Mr. Speaker, and punish those individuals, trying to squeeze a few more dollars in order to balance its books.

I would like to say something on behalf of my Progressive Conservative colleagues. I also read in the newspaper, the *Ottawa Citizen* this morning, that the Canadian Press reports that more than half the Hon. Members of the federal Progressive Conservative caucus have had disputes with the Revenue Department over their personal taxes. Some people have gone so far as to say that this is one of the reasons that the Progressive Conservatives have risen up and spoken so vociferously against the Department. I know that my colleagues in the Progressive Conservative Party are honourable men and that certainly there would be no truth to the fact that because half of the Progressive Conservative caucus are having difficulties with Revenue Canada, this would motivate them to raise this subject day after day in Parliament, coming down hard on the Minister of National Revenue (Mr. Bussières). I know that would not be the case with those Hon. Members. I wanted to clarify that for the record because of some perhaps inappropriate statements raised in today's press.

The question which we must address today, Mr. Speaker, is this. Is the system of taxation in place in the country today a fair one? I do not believe there is the possibility any longer of the Government being able to fake it in front of the people of Canada. We find small businesses in this country pay taxes at a higher rate than large businesses. There are countless examples of individuals paying absolutely no income tax at all. Report after report outlines the injustice of the present system, including the Government's own report entitled "Analysis of Federal Tax Expenditures for Individuals", which was released in November, 1981. It concluded that in 1979 the average taxpayer with an income between \$10,000 and \$15,000 saved \$771 on his income tax through tax deductions. However, in that same year citizens with incomes greater than \$100,000 managed to save \$46,000 on their taxes. What is even more