decently, let it act favourably not only toward a small group of privileged people, but also toward the 750,000 people whose income is considered quite insufficient to meet the needs of their families.

Then, it must reply to objections or requests made by people other than politicians. Not long ago, one could read in the dailies this statement from Mr. Frank E. Case, president of the Montreal Trust, and I quote:

> Up to now, the economy has shown few signs of recovery despite the many provisional solutions put forward by various government organizations. I for one believe that a tax reduction would have been much more beneficial.

The government is trying to make us believe that this reform will result in lower taxes, whereas the federal civil servants tell us that within five years this reform will have boosted tax proceeds by $600 million, and whereas the Ontario civil servants, with the help of an electronic computer, now forecast an increase in federal tax proceeds of the order of one billion dollars. Whether the result be $600 million or $1 billion, it means that this tax reform is nothing but a stirring of the same mixture which will amount to heavier taxes for the Canadian workers.

And Mr. Case added:

> —what was needed to reverse the situation was not an increase in public spending or new capital investments, but rather a new impulse to the purchasing power.

This is the opposite of what the government intends to do in his tax proposals, that is to extort $600 million or $1 billion from the Canadian taxpayers. On the contrary, if the government actually wanted to restart the economy, it would proceed by injecting it with additional purchasing power.

I have on hand another testimony, that of Mr. Grant L. Reuber, an economist and director of the Department of Economics at London's Western University. This is what he had to say in an article published in *Le Devoir* in May 1971, and I quote:

> This is why the government should persue a "moderately expansionist tax policy", promote expenditures which would stimulate the demand for goods and services thus helping to create employment.
>
> This could be achieved by lowering personal income tax and federal sales taxes levied on manufactured goods.

It should be noted that Mr. Reuber has not asked that non-taxable income be increased, but rather that federal taxes levied on manufactured goods be reduced.

These are the comments of people who have studied the problem and whose authority is unquestionable. During this debate which as far as I can see, will be protracted, we will have the opportunity of carefully studying each clause together with the consequences of this tax reform. We think that we shall have to submit numerous proposals to amend this bill.

[*English*]

An hon. Member: Six o'clock.

Mr. Horner: Mr. Chairman, I hear the parliamentary secretary suggesting that I call it six o'clock. I am perfectly prepared to do that if it is the wish of the committee. There seems to be some unanimity in this regard. May I call it six o'clock, Mr. Chairman?

The Deputy Chairman: This can be done only by unanimous agreement. Does the committee agree to call it six o'clock?

Some hon. Members: Agreed.

The Deputy Chairman: It being six o'clock, it is my duty to rise, report progress and request leave to sit again at the next sitting of the House.

Progress reported.

At 5.57 p.m. the House adjourned, without question put, pursuant to Standing Order.