this country. It continues many of the inequities we have had in our tax system for many years.

In 1962, the Diefenbaker government appointed a royal commission to study taxation which was known as the Carter Commission on Taxation. This commission stated that Canada has one of the most unfair tax systems of any country in the world, and that we should do something to remedy it as rapidly as possible. It referred to the hundreds of millions of dollars that are escaping taxation in this country. The reference was to many of the oil companies and extractive industries that each year receive a beautiful tax holiday from the people of Canada. The hon. member for Duvernay, who left the Liberal cabinet a short while ago, made many speeches on this topic. It is about time we started taking him and other economists very seriously with regard to what we are doing to our economy.

Why do we continue to give tax holidays, extra benefits and concessions to many of the large extractive and resource corporations in this country? They do not provide many jobs. As everyone knows, we are exporting jobs by following this type of policy, a situation which would be changed to a large degree if we changed our taxation system to make these corporations pay their fair share of taxation in relation to everyone else in the economy. This is one of the more serious gaps in this huge tax reform bill. I believe these corporations should be paying their fair share of the taxes. If they did, they would be making a greater contribution to Canada and its economy.

We have a 7.1 per cent rate of unemployment in Canada. One reason for this situation is that a large part of our economy is foreign owned. We are a branch plant economy. When things go wrong in the United States, naturally the branch plants here close down. In order that the United States may protect itself, it must make things difficult here. It is like a tree that is in trouble. If something happens to a tree, it is the branch that dies first, not the trunk. Those are things we should be considering on a long-term basis instead of the little reforms contained in this tax bill. This would be one way of having full employment in Canada. It is something we will have to do.

Another point I want to make is that the tax bill before us, as it is constituted, is not based on the principle of equity. We still have a great deal of inequity in our tax system, and this bill will not change that. In the special budget announcement made the other day, we were told that corporate taxes will be lowered by 7 per cent for the next year and a half and personal income tax by 3 per cent of the tax payable. Here again we see the inequity in our tax system. The 3 per cent reduction in income tax is also regressive, not progressive, taxation. It helps the person earning $30,000, $40,00 or $50,000, as well as Members of Parliament, more than it helps the vast majority of Canadian people. These are the types of things we should be getting away from. Many people on the extreme right of the political spectrum say that if we do this, we will discourage initiative. But they forget that very few people in this country have that type of money.

In this type of legislation, we are protecting only a privileged few. According to the Dominion Bureau of Statistics, over 90 per cent of the people in this country do not own any stocks or bonds and do not collect any money from the stock market. Of those who do, many do not collect very much. If we reformed the taxation system, we would be encouraging the vast number of Canadian people who are ordinary citizens. In turn, we would be stimulating the economy and giving the ordinary person a fair chance. We would be encouraging his initiative rather than that of some director of a multinational corporation who is probably sitting in New York or Chicago. This is the direction in which we should be going.

Let us not get carried away by the hysterical fear of socialism held by some of the extremists in the Conservative party. Let us look at it in a sensible way. If we redistribute wealth and power in this country, the ordinary worker, farmer and small businessman can play a meaningful role in the economy of this country. That is not being done today. Let us not kid or fool ourselves. The gap between the rich and the poor is the same today as it was 20 years ago. It is only necessary to look at the Senate report on poverty to ascertain this fact. It pointed out that the top 20 per cent of the Canadian people earned 40 per cent of the income in this country and the bottom 20 per cent earned 7 per cent. It has been this way for the past 20 or 30 years.

An hon. Member: That was in 1961.

Mr. Nystrom: That was in 1961. Those figures are relevant up to, and including, 1968 and 1969. This government has not done anything significant to change the fundamental structure of taxation and power in this country. It is those things we should be doing immediately.

In conclusion, I wish to again encourage the parliamentary secretary to bring in more amendments concerning co-operatives. We have a consensus on that. At least we can get that far on the tax bill now before us. We should forget some of our old hang-ups about protecting and giving gifts to multinational corporations, and begin helping the ordinary Joe in Canada. We can do it. If we do, we will have a much more viable economy and country in which to live.

The Chairman: Order. Before I recognize the hon. member for Grey-Simcoe, I might be permitted to read the details of the proceedings for the adjournment debate this evening.

Progress reported.

PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

Mr. Deputy Speaker: It is my duty, pursuant to Standing Order 40, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: The hon. member for Halifax-East Hants (Mr. McCleave)—Royal Canadian Mounted Police—Use of informers—Repudiation of statements by Robert Eadie and father; the hon. member for Selkirk (Mr. Rowland)—Taxation—Succession duties and gift taxes—Proposed